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ABSTRACT

This report presents a comprehensive compilation of federal laws affecting education and reflects the latest changes in the laws related to elementary, secondary, higher, and vocational education. The compilation includes the School Lunch and the Child Nutrition Acts. (Author/JF)

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OFFICE OF EDUCATION
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FOREWORD

OCTOBER 1, 1971.

It gives me great pleasure to join with my colleagues on the Education and Labor Committee to bring to the attention of Members this compilation of education legislation reflecting the latest changes in laws dealing with elementary and secondary education, higher education, and vocational education and includes for the first time the School Lunch and Child Nutrition Acts. The last such compilation was published in February 1971. Significant changes have been made in the law since that time. This compilation is an essential tool in our study of future legislative action in meeting the unfinished task of broadening and strengthening educational opportunities.

CARL D. PERKINS,
Chairman, Education and Labor Committee,
U.S. House of Representatives.

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PART I—THE OFFICE OF EDUCATION

Revised Statutes of the United States

AN ACT To revise and consolidate the statutes of the United States, in force on the first day of December, anno Domini one thousand eight hundred and seventy three.

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TITLE XI—THE DEPARTMENT OF THE INTERIOR

* * * * * * *

Chapter Nine—The Office of Education

SEC. 516. There shall be in the Department of the Interior [1] a Bureau called the Office of Education, the purpose and duties of which shall be to collect statistics and facts showing the condition and progress of education in the several States and Territories, and to diffuse such information respecting the organization and management of schools and school systems, and methods of teaching, as shall aid the people of the United States in the establishment and maintenance of efficient school systems, and otherwise promote the cause of education throughout the country.

(20 U.S.C. 1) Enacted June 22, 1874 as R. S. 516, 18 Stat. 84 (18 Stat. 85 rev. ed.). Derived from Acts March 2, 1867, ch. 158, sec. 1, 14 Stat. 434.

SEC. 517. The management of the Office of Education shall, subject to the direction of the Secretary of the Interior [1], be intrusted to a Commissioner of Education, who shall be appointed by the President, by and with the advice and consent of the Senate, and shall be entitled to a salary of three thousand dollars a year.[2]

(20 U.S.C. 2) Enacted June 22, 1874 as R. S. 517, 18 Stat. 85 (18 Stat. 85 rev. ed.). Derived from Acts March 2, 1867, ch. 158, sec. 2, 14 Stat. 434.

Reorganization Plan No. 1

Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, April 25, 1939, pursuant to the provisions of the Reorganization Act of 1939, approved April 3, 1939

* * * * * * *

PART 2—FEDERAL SECURITY AGENCY

SECTION 201. *Federal Security Agency.*—(*a*) The United States Employment Service in the Department of Labor and its functions and personnel are transferred from the Department of Labor; the Office of Education in the Department of the Interior and its functions and personnel (including the Commissioner of Education) are transferred from the Department of the Interior; the Public Health Service in the Department of the Treasury and its functions and personnel (including the Surgeon General of the Public Health Service) are transferred from the Department of the Treasury; the National Youth Administration within the Works Progress Administration and its functions and personnel (including its Administrator) are transferred from the Works Progress Administration; and these agencies and their functions, together with the Social Security Board and its functions, and the Civilian Conservation Corps and its functions, are hereby consolidated under one agency to be known as the Federal Security Agency, with a Federal Security Administrator at the head thereof. The Federal Security Administrator shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive a salary at the rate of $12,000 per annum. He shall have general direction and supervision over the administration of the several agencies consolidated into the Federal Security Agency by this section and shall be responsible for the coordination of their functions and activities.

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[1] **Office of Education transferred July 1, 1939, from Department of the Interior to Federal Security Agency (1939 Reorganization Plan No. 1, secs. 201, 204, 4 F.R. 2728, 53 Stat. 1424), and Apr. 11, 1953, from Federal Security Agency to Department of Health, Education, and Welfare (1953 Reorganization Plan No. 1, secs. 5, 8, 18 F.R. 2053, 67 Stat. 631). Text of reorganization plans reprinted below.**

[2] **Provision for compensation of the Commissioner of Education at $3,000 a year is obsolete in view of 5 U.S.C. 5316(41), which fixes the compensation of the Commissioner of Education at $36,000 a year.**

(*b*) The Federal Security Administrator shall appoint an Assistant Federal Security Administrator, who shall receive a salary at the rate of $9,000 per annum, and he may also appoint such other personnel and make such expenditures as may be necessary.

(*c*) The Assistant Administrator shall act as Administrator during the absence or disability of the Administrator or in the event of a vacancy in that office and shall perform such other duties as the Administrator shall direct.

(*d*) The several agencies and functions consolidated by this section into the Federal Security Agency shall carry with them their personnel.

SECTION 202. *Social Security Board.*—The Social Security Board and its functions shall be administered as a part of the Federal Security Agency under the direction and supervision of the Federal Security Administrator. The Chairman of the Social Security Board shall perform such administrative duties as the Federal Security Administrator shall direct.

SECTION 203. *United States Employment Service.*—(*a*) The functions of the United States Employment Service shall be consolidated with the unemployment compensation functions of the Social Security Board and shall be administered in the Social Security Board in connection with such unemployment compensation functions under the direction and supervision of the Federal Security Administrator.

(*b*) The office of the Director of the United States Employment Service is hereby abolished, and all of the functions of such office are transferred to, and shall be exercised by, the Social Security Board.

(*c*) All functions of the Secretary of Labor relating to the administration of the United States Employment Service are hereby transferred to, and shall be exercised by, the Federal Security Administrator.

Section 204. *Office of Education.*—(*a*) The Office of Education and its functions shall be administered by the Commissioner of Education under the direction and supervision of the Federal Security Administrator.

(*b*) All functions of the Secretary of the Interior relating to the administration of the Office of Education are hereby transferred to, and shall be exercised by, the Federal Security Administrator.

Section 205. *Public Health Service.*—(*a*) The Public Health Service and its functions shall be administered by the Surgeon General of the Public Health Service under the direction and supervision of the Federal Security Administrator.

(*b*) All the functions of the Secretary of the Treasury relating to the administration of the Public Health Service, except those functions relating to the acceptance and investment of gifts as authorized by sections 23(b) and 137(e), title 42, U.S. Code, are hereby transferred to, and shall be exercised by, the Federal Security Administrator.

Section 206. *National Youth Administration.*—The National Youth Administration and its functions shall be administered by the National Youth Administrator under the direction and supervision of the Federal Security Administrator.

Section 207. *Civilian Conservation Corps.*—The Civilian Conservation Corps and its functions shall be administered by the Director of the Civilian Conservation Corps under the direction and supervision of the Federal Security Administrator.

Section 208. *Transfer of Records and Property.*—All records and property (including office equipment) of the several agencies which, with their functions, are consolidated by section 201 into the Federal Security Agency has hereby transferred to the jurisdiction and control of the Federal Security Agency for use in the administration of the agencies and functions consolidated by that section.

Section 209. *Transfer of Funds.*—So much of the unexpended balances of appropriations, allocations, or other funds (including those available for the fiscal year ending June 30, 1940) available for the use of any agency in the exercise of any functions transferred by this Part, or for the use of the head of any department or agency in the exercise of any functions so transferred, as the Director of the Bureau of the Budget shall determine, shall be transferred for use in connection with the exercise of the functions transferred by this Part. In determining the amount to be transferred the Director of the Bureau of the Budget may include an amount to provide for the liquidation of obligations incurred against such appropriations, allocations, or other funds prior to the transfer: *Provided*, That the use of the unexpended balances of appropriations, allocations, or other funds transferred by this section shall be subject to the provisions of section 4 (d) (3) and section 9 of the Reorganization Act of 1939.

Section 210. *Administrative Funds.*—The Director of the Bureau of the Budget shall allocate to the Federal Security Agency, from appropriations, allocations, or other funds available (including those available for the fiscal year ending June 30, 1940) for the administrative expenses of the agencies and functions consolidated by this Part, such sums, and in such proportions, as he may find necessary for the administrative expenses of the Federal Security Agency.

SECTION 211. *Personnel.*—Any personnel transferred by this Part found to be in excess of the personnel necessary for the efficient administration of the functions transferred by this Part shall be re-transferred under existing law to other positions in the Government service, or separated from the service subject to the provisions of section 10(a) of the Reorganization Act of 1939.

* * * * * * *

(Effective July 1, 1939)

Reorganization Plan No. 1 of 1953

Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, March 12, 1953, pursuant to the provisions of the Reorganization Act of 1949, approved June 20, 1949, as amended.

DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

SECTION 1. *Creation of Department; Secretary.*—There is hereby established an executive department, which shall be known as the Department of Health, Education, and Welfare (hereafter in this reorganization plan referred to as the Department). There shall be at the head of the Department a Secretary of Health, Education, and Welfare (hereafter in this reorganization plan referred to as the Secretary), who shall be appointed by the President by and with the advice and consent of the Senate, and who shall receive compensation at the rate now or hereafter prescribed by law for the heads of executive departments. The Department shall be administered under the supervision and direction of the Secretary.

SEC. 2. *Under Secretary and Assistant Secretaries.*—There shall be in the Department an Under Secretary of Health, Education, and Welfare and two Assistant Secretaries of Health, Education, and Welfare, each of whom shall be appointed by the President by and with the advice and consent of the Senate, shall perform such functions as the Secretary may prescribe, and shall receive compensation at the rate now or hereafter provided by law for under secretaries and assistant secretaries, respectively. of executive departments. The Under Secretary (or, during the absence or disability of the Under Secretary or in the event of a vacancy in the office of Under Secretary, an Assistant Secretary determined according to such order as the Secretary shall prescribe) shall act as Secretary during the absence or disability of the Secretary or in the event of a vacancy in the office of Secretary.

SEC. 3. *Special Assistant.*—There shall be in the Department a Special Assistant to the Secretary (Health and Medical Affairs) who shall be appointed by the President by and with the advice and consent of the Senate from among persons who are recognized leaders in the medical field with wide non-governmental experience, shall review the health and medical programs of the Department and advise the Secretary with respect to the improvement of such programs and with respect to necessary legislation in the health and medical fields, and shall receive compensation at the rate now or hereafter provided by law for assistant secretaries of executive departments.

SEC. 4. *Commissioner of Social Security.*—There shall be in the Department a Commissioner of Social Security who shall be appointed by the President by and with the advice and consent of the Senate, shall perform such functions concerning social security and public welfare as the Secretary may prescribe, and shall receive compensation at the rate now or hereafter fixed by law for Grade GS-18 of the general schedule established by the Classification Act of 1949, as amended.

SEC. 5. *Transfers to the Department.*—All functions of the Federal Security Administrator are hereby transferred to the Secretary. All agencies of the Federal Security Agency, together with their respective functions, personnel, property, records, and unexpended balances of appropriations, allocations, and other funds (available or to be made available), and all other functions, personnel, property, records, and unexpended balances of appropriations, allocations, and other funds (available or to be made available) of the Federal Security Agency are hereby transferred to the Department.

SEC. 6. *Performance of Functions of the Secretary.*—The Secretary may from time to time make such provisions as the Secretary deems appropriate authorizing the performance of any of the functions of the Secretary by any other officer, or by any agency or employee, of the Department.

SEC. 7. *Administrative Services.*—In the interest of economy and efficiency the Secretary may from time to time establish central adminisrative services in the fields of procurement, budgeting, accounting, personnel, library, legal, and other services and activities common to the several agencies of the Department; and the Secretary may effect such transfers within the Department of the personnel employed, the property and records used or held, and the funds available for use in connection with such administrative services activities as the Secretary may deem necessary for the conduct of any services so established: *Provided*, That no professional or substantive function vested by law in any officer shall be removed from the jurisdiction of such officer under this section.

SEC. 8. *Abolitions.*—The Federal Security Agency (exclusive of the agencies thereof transferred by section 5 of this reorganization plan), the offices of Federal Security Administrator and Assistant Federal Security Administrator created by Reorganization Plan No. 1 (53 Stat. 1423), the two offices of assistant heads of the Federal Security Agency created by Reorganization Plan No. 2 of 1946 (60 Stat. 1095), and the office of Commissioner for Social Security created by section 701 of the Social Security Act, as amended (64 Stat. 558), are hereby abolished. The Secretary shall make such provisions as may be necessary in order to wind up any outstanding affairs of the Agency and offices abolished by this section which are not otherwise provided for in this reorganization plan.

SEC. 9. *Interim Provisions.*—The President may authorize the persons who immediately prior to the time this reorganization plan takes effect occupy the offices of Federal Security Administrator, Assistant Federal Security Administrator, assistant heads of the Federal Security Agency, and Commissioner for Social Security to act as Secretary, Under Secretary, and Assistant Secretaries of Health, Education, and Welfare and as Commissioner of Social Security, respectively, until those offices are filled by appointment in the manner provided by sections 1, 2, and 4 of this reorganization plan, but not for a period of more than 60 days. While so acting, such persons shall receive compensation at the rates provided by this reorganization plan for the offices the functions of which they perform.

(Effective April 11, 1953.)

CIVIL RIGHTS ACT OF 1964

(P.L. 88-352)

TITLE VI—NONDISCRIMINATION IN FEDERALLY ASSISTED PROGRAMS

SEC. 601. No person in the United States shall, on the ground of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

SEC. 602. Each Federal department and agency which is empowered to extend Federal financial assistance to any program or activity, by way of grant, loan, or contract other than a contract of insurance or guaranty, is authorized and directed to effectuate the provisions of section 601 with respect to such program or activity by issuing rules, regulations, or orders of general applicability which shall be consistent with achievement of the objectives of the statute authorizing the financial assistance in connection with which the action is taken. No such rule, regulation, or order shall become effective unless and until approved by the President. Compliance with any requirement adopted pursuant to this section may be effected (1) by the termination of or refusal to grant or to continue assistance under such program or activity to any recipient as to whom there has been an express finding on the record, after opportunity for hearing, of a failure to comply with such requirement, but such termination or refusal shall be limited to the particular political entity, or part thereof, or other recipient as to whom such a finding has been made and, shall be limited in its effect to the particular program, or part thereof, in which such noncompliance has been so found, or (2) by any other means authorized by law: ***Provided, however***, That no such action shall be taken until the department or agency concerned has advised the appropriate person or persons of the failure to comply with the requirement and has determined that compliance cannot be secured by voluntary means. In the case of any action terminating, or refusing to grant or continue, assistance because of failure to comply with a requirement imposed pursuant to this section, the head of the Federal department or agency shall file with the committees of the House and Senate having legislative jurisdiction over the program or activity involved a full written report of the circumstances and the grounds for such action. No such action shall become effective until thirty days have elapsed after the filing of such report.

SEC. 603. Any department or agency action taken pursuant to section 602 shall be subject to such judicial review as may otherwise be provided by law for similar action taken by such department or agency on other grounds. In the case of action, not otherwise subject to judicial review, terminating or refusing to grant or to continue financial assistance upon a finding of failure to comply with any requirement imposed pursuant to section 602, any person aggrieved (including any State or political subdivision thereof and any agency of either) may obtain judicial review of such action in accordance with section 10 of the Administrative Procedure Act, and such action shall not be deemed committed to unreviewable agency discretion within the meaning of that section.

Sec. 604. Nothing contained in this title shall be construed to authorize action under this title by any department or agency with respect to any employment practice of any employer, employment agency, or labor organization except where a primary objective of the Federal financial assistance is to provide employment.

Sec. 605. Nothing in this title shall add to or detract from any existing authority with respect to any program or activity under which Federal financial assistance is extended by way of a contract of insurance or guaranty.

(42 U.S.C. 2000d–2000d–4) Enacted July 2, 1964, P.L. 88–352, Title VI, 78 Stat. 252.

ELEMENTARY AND SECONDARY EDUCATION AMENDMENTS OF 1966

(P.L. 89–750)

AN ACT To strengthen and improve programs of assistance for elementary and secondary schools, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Elementary and Secondary Education Amendments of 1966".

Title I—Amendments to the Elementary and Secondary Education Act of 1965

* * * * * * *

Part H—Racial Imbalance and Compliance with Civil Rights Act of 1964

* * * * * * *

COMPLIANCE WITH CIVIL RIGHTS ACT OF 1964

Sec. 182. The Commissioner of Education shall not defer action or order action deferred on any application by a local educational agency for funds authorized to be appropriated by this Act, by the Elementary and Secondary Education Act of 1965, by the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), by the Act of September 23, 1950 (Public Law 815, Eighty-first Congress), or by the Cooperative Research Act, on the basis of alleged noncompliance with the provisions of title VI of the Civil Rights Act of 1964 for more than sixty days after notice is given to such local agency of such deferral unless such local agency is given the opportunity for a hearing as provided in section 602 of title VI of the Civil Rights Act of 1964, such hearing to be held within sixty days of such notice, unless the time for such hearing is extended by mutual consent of such local agency and the Commissioner, and such deferral shall not continue for more than thirty days after the close of any such hearing unless there has been an express finding on the record of such hearing that such local educational agency has failed to comply with the provisions of title VI of the Civil Rights Act of 1964: *Provided*, That, for the purpose of determining whether a local educational agency is in compliance with title VI of the Civil Rights Act of 1964 (Public Law 88-352), compliance by such agency with a final order or judgment of a Federal court for the desegregation of the school or school system operated by such agency shall be deemed to be compliance with such title VI, insofar as the matters covered in the order or judgment are concerned.

(42 U.S.C. 2000d-5) Enacted Nov. 3, 1966, P.L. 89-750, 80 Stat. 1209; amended Jan. 2, 1968 (P.L. 90-247), Title I, sec. 112, 81 Stat. 1787.

* * * * * * *

ELEMENTARY AND SECONDARY EDUCATION AMENDMENTS OF 1969
(P.L. 91-230)

AN ACT

To extend programs of assistance for elementary and secondary education, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

POLICY WITH RESPECT TO THE APPLICATION OF CERTAIN PROVISIONS OF FEDERAL LAW

SEC. 2. (a) It is the policy of the United States that guidelines and criteria established pursuant to title VI of the Civil Rights Act of 1964 and section 182 of the Elementary and Secondary Education Amendments of 1966 dealing with conditions of segregation by race, whether de jure or de facto, in the schools of the local educational agencies of any State shall be applied uniformly in all regions of the United States whatever the origin or cause of such segregation.

(b) Such uniformity refers to one policy applied uniformly to de jure segregation wherever found and such other policy as may be provided pursuant to law applied uniformly to de facto segregation wherever found.

(c) Nothing in this section shall be construed to diminish the obligation of responsible officials to enforce or comply with such guidelines and criteria in order to eliminate discrimination in federally assisted programs and activities as required by title VI of the Civil Rights Act of 1964.

(d) It is the sense of the Congress that the Department of Justice and the Department of Health, Education, and Welfare should request such additional funds as may be necessary to apply the policy set forth in this section throughout the United States.

Enacted April 13, 1970, P.L. 91-230, sec. 2, 84 Stat. 121.

TITLE I—AMENDMENTS TO THE ELEMENTARY AND SECONDARY EDUCATION ACT OF 1965

Part A—Amendments to Title I of the Elementary and Secondary Education Act of 1965 (Education of Disadvantaged Children)

* * * * * * *

STUDY OF ALLOCATION OF FUNDS

Sec. 102. (a) The Commissioner of Education shall make a study of the allocation of sums appropriated for the purposes of title I of the Elementary and Secondary Education Act of 1965 and of the effectiveness of the various provisions of such title in making funds available to State and local educational agencies in order to meet the purposes of such title I. Such study shall make special reference to the distribution of funds to local educational agencies within counties, the means by which such funds may be concentrated in school attendance areas with the highest concentrations of children from low-income families, the appropriateness of the Federal percentage and the low-income factor provided for in subsection (c) of section 103 of such title I when considered in the light of the extra cost of providing compensatory education for educationally deprived children (including the means of providing services authorized by such title to such children residing in rural areas), and the use of special incentive grants to increase State and local effort for education.

(b) Not later than March 31, 1972, the Commissioner shall submit to the Congress a report on the study required by subsection (a), together with such recommendations as he may deem appropriate with respect to modification of programs under title I of the Elementary and Secondary Education Act of 1965. Notwithstanding the first sentence of section 103(d) of such title I, the Commissioner shall not use data for the purposes of section 103 of such title I from the 1970 census of the United States prior to July 1, 1972.

(20 U.S.C. 241 a note) Enacted April 13, 1970, P.L. 91–230, sec. 102, 84 Stat. 121.

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TITLE VIII—MISCELLANEOUS

* * * * * * *

PROVISIONS RELATED TO GIFTED AND TALENTED CHILDREN

Sec. 806. (a) Section 521 of the Higher Education Act of 1965 (relating to fellowships for teachers) is amended by inserting in the last sentence thereof after the words "handicapped children" a comma and the following: "and for gifted and talented children".

(b) Section 1201 of such Act (relating to definitions) is amended by adding at the end thereof the following new paragraph:

"(k) The term 'gifted and talented children' means, in accordance with objective criteria prescribed by the Commissioner, children who have outstanding intellectual ability or creative talent."

(c)(1) The Commissioner of Education shall:

(A) determine the extent to which special educational assistance programs are necessary or useful to meet the needs of gifted and talented children,

(B) show which existing Federal educational assistance programs are being used to meet the needs of gifted and talented children,

(C) evaluate how existing Federal educational assistance programs can be more effectively used to meet these needs, and

(D) recommend which new programs, if any, are needed to meet these needs.

(2) The Commissioner shall report his findings, together with his recommendations, to the Congress not later than one year after the enactment of this Act.

(20 U.S.C. 1111, 1141 (k)) Enacted April 13, 1970. P.L. 91-230, 84 Stat. 192.

* * * * * * *

RESEARCH ON PROBLEMS OF FINANCING ELEMENTARY AND SECONDARY EDUCATION

Sec. 809. (a) The Congress finds that—

(1) insufficient national concern has been focused upon the escalating operating expenses and construction costs faced by school districts, including serious inequities within and among States in financial support of elementary and secondary education;

(2) taxpayer resistance to the existing tax structure is growing and school bond issues and budget requests are being rejected;

(3) school districts are facing serious fiscal crises as they approach or exceed statutory limits on taxing and bonding authority; and

(4) there is a need for additional knowledge to solve these problems.

(b) It is the purpose of this section—

(1) to provide for research and reports on such problems under the Cooperative Research Act; and

(2) to provide for a National Commission on School Finance to study such problems and report to the Commissioner and the Congress within two years.

* * * * * * *

(d) The Commissioner shall, not later than ninety days after the date of enactment of this Act, establish a National Commission on School Finance. Such Commission shall consist of fifteen members appointed from (1) members of State and local educational agencies, (2) State and local government officials, (3) education administrators, (4) teachers, (5) financial experts, (6) parents with one or more children in a public elementary or secondary school, (7) the Office of Education, (8) the Department of the Treasury, with the approval of the Secretary of the Treasury, and (9) other appropriate fields. The Commissioner shall appoint a chairman and vice chairman from among such members. Such Commission shall make a full and complete investigation and study of the financing of elementary and secondary education, including, but not limited to, the matters referred to in section 2(a)(3) of the Cooperative Research Act (as amended by subsection (c) of this section). The Commission shall report the results of such investigation and study and its recommendations to the Commissioner and the Congress not later than two years after the date of enactment of this Act. Funds available for the purposes of the Cooperative Research Act and for the purposes of section 402 of Public Law 90–247 shall be available for the purposes of this subsection.

(20 U.S.C. 331a note) Enacted April 13, 1970, P.L. 91–230, 84 Stat. 193.

GENERAL PROVISIONS CONCERNING EDUCATION [1]

PROGRAMS SUBJECT TO THIS TITLE; DEFINITIONS; APPROPRIATIONS; SHORT TITLE

SEC. 401. (a) The provisions of this title shall apply to any program for which the Commissioner of Education has responsibility for administration, either as provided by statute or by delegation pursuant to statute. Amendments to Acts authorizing such programs shall not affect the applicability of this title unless so specified by such amendments.

(b) For the purposes of this title, the term—

(1) "Commissioner" means the Commissioner of Education;

(2) "Secretary" means the Secretary of Health, Education, and Welfare; and

(3) "Applicable program" means a program to which this title is applicable.

(c) There are hereby authorized to be appropriated for any fiscal year, as part of the appropriations for salaries and expenses for the Office of Education, such sums as the Congress may determine to be necessary to carry out the provisions of this title.

(d) This title may be cited as the "General Education Provisions Act."

(20 U.S.C. 1221) Enacted Jan. 2, 1968, P.L. 90–247, Title IV, sec. 401, 81 Stat. 814; amended Oct. 16, 1968, P.L. 90–576, Title III, sec. 301(a), 82 Stat. 1094; amended April 13, 1970, P.L. 91–230, Title IV, sec. 401(a)(2), 84 Stat. 164.

PART A—APPROPRIATIONS AND EVALUATIONS

PROGRAM PLANNING AND EVALUATION

SEC. 402. (a) Sums appropriated pursuant to section 401(c) may include for any fiscal year for which appropriations are otherwise authorized under any applicable program not to exceed $25,000,000 which shall be available to the Secretary, in accordance with regulations prescribed by him, for expenses, including grants, contracts, or other payments, for (1) planning for the succeeding year for any such program, and (2) evaluation of such programs.

(b) No later than July 31 of each calendar year, the Secretary shall transmit to the respective committees of the Congress having legislative jurisdiction over any applicable program a report containing (1) a brief description of each contract or grant for evaluation of such program or programs (whether or not such contract or grant was made under this section), any part of the performance of which occurred during the preceding fiscal year, (2) the name of the firm or individual who is to carry out the evaluation, and (3) the amount to be paid under the contract or grant.

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[1] Title IV of P.L. 90–247, as amended by P.L. 91–230.

(20 U.S.C. 1222) Enacted Jan. 2, 1968, P.L. 90–247, Title IV, sec. 402, 81 Stat. 814; amended April 13, 1970, P.L. 91–230, Title IV, sec. 401(a)(3), 84 Stat. 165.

ADVANCE FUNDING

Sec. 403. To the end of affording the responsible State, local, and Federal officers concerned adequate notice of available Federal financial assistance for education, appropriations for grants, contracts, or other payments under any applicable program are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation. In order to effect a transition to this method of timing appropriation action, the preceding sentence shall apply notwithstanding that its initial application under such program will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year.

(20 U.S.C. 1223) Enacted Jan. 2, 1968, P.L. 90–247, Title IV, sec. 403, 81 Stat. 814; amended April 13, 1970, P.L. 92–230, Title IV, sec. 401(a)(4). 84 Stat. 165

EVALUATION REPORTS; CONGRESSIONAL REVIEW; CONTINGENT EXTENSION OF EXPIRING APPROPRIATION AUTHORITY

Sec. 404. (a) No later than January 31 of each calendar year, the Secretary shall transmit to the respective committees of the Congress having legislative jurisdiction over any applicable program and to the respective Committees on Appropriations a report evaluating the results and effectiveness of programs and projects assisted thereunder during the preceding fiscal year, together with his recommendations (including any legislative recommendations) relating thereto.

(b) In the case of any such program, the report submitted in the penultimate fiscal year for which appropriations are then authorized to be made for such program shall include a comprehensive and detailed review and evaluation of such program (as up to date as the due date permits) for its entire past life, based to the maximum extent practicable on objective measurements, together with the Secretary's recommendations as to proposed legislative action.

(c) Unless the Congress—

(1) in the regular session in which a comprehensive evaluation report required by subsection (b) is submitted to Congress, has passed or formally rejected legislation extending the authorization for appropriations then specified for any title, part, or section of law to which such evaluation relates, or

(2) prior to July 1, 1973, by action of either House approves a resolution stating that the provisions of this subsection shall no longer apply,

such authorization is hereby automatically extended, at the level specified for the terminal year of such authorization for one fiscal year beyond such terminal year, as specified in such legislation.

(20 U.S.C. 1224) Enacted Jan. 2, 1968, P.L. 90-247, Title IV, sec. 404, 81 Stat. 814; amended April 13, 1970, P.L. 91-230, Title IV, sec. 401(a) (5), (6), 84 Stat. 165.

AVAILABILITY OF APPROPRIATIONS ON ACADEMIC OR SCHOOL YEAR BASIS

SEC. 405. (a) Appropriations for any fiscal year for grants, loans, contracts, or other payments to educational agencies or institutions under any applicable program may, in accordance with regulations of the Secretary, be made available for expenditure by the agency or institution concerned on the basis of an academic or school year differing from such fiscal year.

(b) Notwithstanding any other provision of law, unless enacted in specific limitation of the provisions of this subsection, any funds from appropriations to carry out any programs to which this title is applicable during any fiscal year, ending prior to July 1, 1973, which are not obligated and expended prior to the beginning of the fiscal year succeeding the fiscal year for which such funds were appropriated shall remain available for obligation and expenditure during such succeeding fiscal year.

(20 U.S.C. 1225) Enacted Jan. 2, 1968, P.L. 90-247, Title IV, sec. 405, 81 Stat. 815; amended April 13, 1970, P.L. 91-230, Title IV, sec. 401(a) (5), (7), (8), 84 Stat. 165.

AVAILABILITY OF APPROPRIATIONS

SEC. 406. Notwithstanding any other provision of law, unless expressly in limitation of the provisions of this title, funds appropriated for any fiscal year to carry out any of the programs to which this title is applicable shall remain available for obligation and expenditure until the end of such fiscal year.

(20 U.S.C. 1226) Enacted Oct. 16, 1968, P.L. 90-576, Title III, sec. 301(b), 82 Stat. 1094; amended April 13, 1970, P.L. 91-230, Title IV, sec. 401(a)(9), 84 Stat. 166.

PART B—GENERAL REQUIREMENTS AND CONDITIONS CONCERNING THE OPERATION AND ADMINISTRATION OF EDUCATION PROGRAMS; GENERAL AUTHORITY OF THE COMMISSIONER OF EDUCATION

SUBPART 1—GENERAL AUTHORITY

DELEGATION OF AUTHORITY; UTILIZATION OF OTHER AGENCIES

SEC. 411. (a) The Commissioner is authorized to delegate any of his functions under any applicable program, except the making of regulations and the approval of State plans, to any officer or employee of the Office of Education.

(b) In administering any applicable program, the Commissioner is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public or nonprofit agency or institution in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement, as may be agreed upon.

(20 U.S.C. 1231) Enacted April 13, 1970, P.L. 91–230, sec. 401(a)(10), 84 Stat. 166.

COLLECTION AND DISSEMINATION OF INFORMATION

SEC. 412. (a) The Commissioner shall—

(1) prepare and disseminate to State and local educational agencies and institutions information concerning applicable programs and cooperate with other Federal officials who administer programs affecting education in disseminating information concerning such programs;

(2) inform the public on federally supported education programs;

(3) collect data and information on applicable programs for the purpose of obtaining objective measurements of the effectiveness of such programs in achieving their purposes; and

(4) prepare and publish an annual report (to be referred to as "the Commissioner's annual report") on (A) the condition of education in the nation, (B) developments in the administration, utilization, and impact of applicable programs, (C) results of investigations and activities by the Office of Education, and (D) such facts and recommendations as will serve the purpose for which the Office of Education is established (as set forth in section 516 of the Revised Statutes (20 U.S.C. 1)).

(b) The Commissioner's annual report shall be submitted to the Congress not later than March 31 of each calendar year. The Commissioner's annual report shall be made available to State and local educational agencies and other appropriate agencies and institutions and to the general public.

(c) The Commissioner is authorized to enter into contracts with public or private agencies, organizations, groups, or individuals to carry out the provisions of this section.

(20 U.S.C. 1231a) Enacted April 13, 1970, P.L. 91–230, Title IV, sec. 401(a)(10), 84 Stat. 166.

CATALOG OF FEDERAL EDUCATION ASSISTANCE PROGRAMS

SEC. 413. The Commissioner shall prepare and make available in such form as he deems appropriate a catalog of all Federal education assistance programs whether or not such programs are administered by him. The catalog shall—

(1) identify each such program, and include the name of the program, the authorizing statute, the specific Federal administering officials, and a brief description of such program;

(2) set forth the availability of benefits and eligibility restrictions in each such program;

(3) set forth the budget requests for each such program, past appropriations, obligations incurred, and pertinent financial information indicating (A) the size of each such program for selected fiscal years, and (B) any funds remaining available;

(4) set forth the prerequisites, including the cost to the recipient, of, receiving assistance under each such program, and any duties required of the recipient after receiving benefits;

(5) identify appropriate officials, in Washington, District of Columbia, as well as in each State and locality (if applicable), to whom application or reference for information for each such program may be made;

(6) set forth the application procedures;

(7) contain a detailed index designed to assist the potential beneficiary in identifying all education assistance programs related to a particular need or category of potential beneficiaries;

(8) contain such other program information and data as the Commissioner deems necessary or desirable in order to assist the potential program beneficiary to understand and take advantage of each Federal education assistance program; and

(9) be transmitted to Congress with the Commissioner's annual report.

(20 U.S.C. 1231b) Enacted April 13, 1970, P.L. 91–230, Title IV, sec. 401(a)(10), 84 Stat. 167.

TECHNICAL ASSISTANCE

SEC. 414. (a) For the purpose of carrying out more effectively Federal education programs, the Commissioner is authorized, upon request, to provide advice, counsel, and technical assistance to State educational agencies, institutions of higher education, and, with the approval of the appropriate State educational agency, elementary and secondary schools—

(1) in determining benefits available to them under Federal law;

(2) in preparing applications for, and meeting requirements of, applicable programs;

(3) in order to enhance the quality, increase the depth, or broaden the scope of activities under applicable programs; and

(4) in order to encourage simplification of applications, reports, evaluations, and other administrative procedures.

(b) The Commissioner shall permit local educational agencies to use organized and systematic approaches in determining cost allocation, collection, measurement, and reporting under any applicable program, if he determines (1) that the use of such approaches will not in any manner lessen the effectiveness and impact of such program in achieving purposes for which it is intended, (2) that the agency will use such procedures as will insure adequate evaluation of each of the programs involved, and (3) that such approaches are consistent with criteria prescribed by the Comptroller General of the United States for the purposes of audit. For the purpose of this subsection a cost is allocable to a particular cost objective to the extent of relative benefits received by such objective.

(c) The Commissioner's annual report shall contain a statement of the Commissioner's activities under this section.

(20 U.S.C. 1231c) Enacted April 13, 1970, P.L. 91–230, Title IV, sec. 401(a)(10), 84 Stat. 167.

PARENTAL INVOLVEMENT AND DISSEMINATION

SEC. 415. In the case of any applicable program in which the Commissioner determines that parental participation at the State or local level would increase the effectiveness of the program in achieving its purposes, he shall promulgate regulations with respect to such program setting forth criteria designed to encourage such participation. If the program for which such determination provides for payments to local educational agencies, applications for such payments shall—

(1) set forth such policies and procedures as will ensure that programs and projects assisted under the application have been planned and developed, and will be operated, in consultation with, and with the involvement of parents of, the children to be served by such programs and projects;

(2) be submitted with assurance that such parents have had an opportunity to present their views with respect to the application; and

(3) set forth policies and procedures for adequate dissemination of program plans and evaluations to such parents and the public.

(20 U.S.C. 1231d) Enacted April 13, 1970, P.L. 91-230, Title IV, sec. 401(a)(10), 84 Stat. 168.

USE OF FUNDS WITHHELD FOR FAILURE TO COMPLY WITH OTHER PROVISIONS OF FEDERAL LAW

SEC. 416. At any time that the Commissioner establishes an entitlement, or makes an allotment or reallotment to any State, under any applicable program, he shall reduce such entitlement, allotment, or reallotment by such amount as he determines it would have been reduced, had the data on which the entitlement, allotment, or reallotment is based excluded all data relating to local educational agencies of the State which on the date of the Commissioner's action are ineligible to receive the Federal financial assistance involved because of a failure to comply with title VI of the Civil Rights Act of 1964. Any appropriated funds which will not be paid to a State as a result of the preceding sentence may be used by the Commissioner for grants to local educational agencies of that State in accordance with section 405 of the Civil Rights Act of 1964.

(20 U.S.C. 1231e) Enacted April 13, 1970, P.L. 91-230, Title IV, sec. 401(a)(10), 84 Stat. 168.

AUTHORITY TO FURNISH INFORMATION

SEC. 417. (a) The Commissioner is authorized to furnish transcripts or copies of tables and other records of the Office of Education to, and to make special statistical compilations and surveys for, State or local officials, private organizations, or individuals. Such statistical compilations and surveys shall be made subject to the payment of the actual or estimated cost of such work. In the case of nonprofit organizations or agencies the Commissioner may engage in joint statistical projects, the cost of which shall be shared equitably as determined by the Commissioner, provided that the purposes are otherwise authorized by law.

(b) All moneys received in payment for work or services enumerated under this section shall be deposited in a separate account which may be used to pay directly the costs of such work or services, to repay appropriations which initially bore all or part of such costs, or to refund excess sums when necessary.

(20 U.S.C. 1231f) Enacted April 13, 1970, P.L. 91-230, Title IV, sec. 401(a)(10), 84 Stat. 168.

SUBPART 2—ADMINISTRATION: REQUIREMENTS AND LIMITATIONS

RULES: REQUIREMENTS AND ENFORCEMENT

SEC. 421. (a) Rules, regulations, guidelines, or other published interpretations or orders issued by the Department of Health, Education, and Welfare or the Office of Education, or by any official of such agencies, in connection with, or affecting, the administration of any applicable program shall contain immediately following each substantive provision of such rules, regulations, guidelines, interpretations, or orders, citations to the particular section or sections of statutory law or other legal authority upon which such provision is based.

(b) No standard, rule, regulation, or requirement of general applicability prescribed for the administration of any applicable program may take effect until thirty days after it is published in the Federal Register.

(c) All such rules, regulations, guidelines, interpretations, or orders shall be uniformly applied and enforced throughout the fifty States.

(20 U.S.C. 1232) Enacted April 13, 1970, P.L. 91-230, Title IV. sec. 401(a)(10), 84 Stat. 169.

PROHIBITION AGAINST FEDERAL CONTROL OF EDUCATION

SEC. 422. No provision of the Act of September 30, 1950, Public Law 874, Eighty-first Congress; the National Defense Education Act of 1958; the Act of September 23, 1950, Public Law 815, Eighty-first Congress; the Higher Education Facilities Act of 1963; the Elementary and Secondary Education Act of 1965; the Higher Education Act of 1965; the International Education Act of 1966; or the Vocational Education Act of 1963 shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution, school, or school system, or over the selection of library resources, textbooks, or other printed or published instructional materials by any educational institution or school system, or to require the assignment or transportation of students or teachers in order to overcome racial imbalance.

(20 U.S.C. 1232a) Enacted April 13, 1970, P.L. 91-230, Title IV, sec. 401(a)(10), 84 Stat. 169.

LABOR STANDARDS

SEC. 423. Except for emergency relief under section 7 of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), all laborers and mechanics employed by contractors or subcontractors on all construction and minor remodeling projects assisted under any applicable program shall be paid wages at rates not less than those prevailing on similar construction and minor remodeling in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5). The Secretary of Labor shall have, with respect to the labor standards specified in this section, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

(20 U.S.C. 1232b) Enacted April 13, 1970, P.L. 91-230, Title IV, sec. 401(a)(10, 84 Stat. 169.

RECORDS AND AUDIT

SEC. 424. (a) Each recipient of funds from a grant or contract under any applicable program shall keep such records as the Commissioner shall prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such grant, the total cost of the project or undertaking in connection with which such grant or contract is given or used, and the amount of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(b) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipients that are pertinent to the grant or contract received under any applicable program.

(20 U.S.C. 1232c) Enacted April 13, 1970, P.L. 91-230 Title IV, sec. 401(a)(10) 84 Stat. 169.

PAYMENTS

SEC. 425. Payments pursuant to grants or contracts under any applicable program may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the Commissioner may determine.

(20 U.S.C. 1232d) Enacted April 13, 1970, P.L. 91-230, Title IV, sec. 401(a)(10) 84 Stat. 170.

AUTHORITY TO VEST TITLE TO EQUIPMENT

SEC. 426. The authority of the Commissioner of Education to make a grant to or contract with a local educational agency or State educational agency as such agencies are defined in sections 801(f) and 801(k) of the Elementary and Secondary Education Act of 1965, under any applicable program, shall include discretionary authority, whenever he determines that it would be in the public interest, to vest title to equipment purchased with grant or contract funds in such agency (or waive accountability to the United States for such equipment) without further obligation to the Government or on such terms or conditions as the Commissioner deems appropriate. The authority provided by this section shall be applicable to equipment purchased with funds provided by grants or contracts made on, before, or after the date of the enactment of this section.

(20 U.S.C. 1232e) Enacted April 13, 1970, P.L. 91-230, Title IV, sec. 401(a)(10), 84 Stat. 170.

PART C—ADVISORY COUNCILS

DEFINITIONS

SEC. 431. As used in this part, the term—

(1) "advisory council" means any committee, board, commission, council, or other similar group (A) established or organized pursuant to any applicable statute, or (B) established under the authority of section 432; but such term does not include State advisory councils or commissions established pursuant to any such statute;

(2) "statutory advisory council" means an advisory council established by, or pursuant to, statute to advise and make recommendations with respect to the administration or improvement of an applicable program or other related matter;

(3) "nonstatutory advisory council" means an advisory council which is (A) established under the authority of section 432, or (B) established to advise and make recommendations with respect to the approval of applications for grants or contracts as required by statute;

(4) "Presidential advisory council" means a statutory advisory council, the members of which are appointed by the President;

(5) "Secretarial advisory council" means a statutory advisory council, the members of which are appointed by the Secretary;

(6) "Commissioner's advisory council" means a statutory advisory council, the members of which are appointed by the Commissioner;

(7) "applicable statute" means any statute (or title, part, or section thereof) which authorizes an applicable program or controls the administration of any such program.

(20 U.S.C. 1233) Enacted April 13, 1970, P.L. 91–230, Title IV, sec. 401(a)(10), 84 Stat. 170.

AUTHORIZATION FOR NECESSARY ADVISORY COUNCILS

SEC. 432. (a) The Commissioner is authorized to create, and appoint the members of, such advisory councils as he determines in writing to be necessary to advise him with respect to—

(1) the organization of the Office of Education and its conduct in the administration of applicable programs;

(2) recommendations for legislation regarding education programs and the means by which the educational needs of the Nation may be met; and

(3) special problems and areas of special interest in education.

(b) Each advisory council created under the authority of subsection (a) shall terminate not later than one year from the date of its creation unless the Commissioner determines in writing not more than thirty days prior to the expiration of such one year that its existence for an additional period, not to exceed one year, is necessary in order to complete the recommendations or reports for which it was created.

(c) The Commissioner shall include in his report submitted pursuant to section 438 a statement on all advisory councils created or extended under the authority of this section and their activities.

(20 U.S.C. 1233a) Enacted April 13, 1970, P.L. 91–230, Title IV, sec. 401(a)(10), 84 Stat. 171.

MEMBERSHIP AND REPORTS OF STATUTORY ADVISORY COUNCILS

Sec. 433. Notwithstanding any other provision of law unless expressly in limitation of the provisions of this section, each statutory advisory council—

(1) shall be composed of the number of members provided by statute who may be appointed, without regard to the provisions of title 5, United States Code, governing appointment in the competitive service, and shall serve for terms of not to exceed three years, which in the case of initial members, shall be staggered; and

(2) shall make an annual report of its activities, findings and recommendations to the Congress not later than March 31 of each calendar year, which shall be submitted with the Commissioner's annual report.

The Commissioner shall not serve as a member of any such advisory council.

(20 U.S.C. 1233b) Enacted April 13, 1970, P.L. 91–230, Title IV, sec. 401(a)(10), 84 Stat. 171.

COMPENSATION OF MEMBERS OF ADVISORY COUNCILS

Sec. 434. Members of all advisory councils to which this part is applicable who are not in the regular full-time employ of the United States shall, while attending meetings or conferences of the advisory council or otherwise engaged in the business of the advisory council, be entitled to receive compensation at a rate fixed by the Commissioner, but not exceeding the rate specified at the time of such service for grade GS–18 in section 5332 of title 5, United States Code, including traveltime, and while so serving on the business of the advisory council away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service.

(20 U.S.C. 1233c) Enacted April 13, 1970, P.L. 91–230, Title IV, sec. 401(a)(10), 84 Stat. 171.

PROFESSIONAL, TECHNICAL, AND CLERICAL STAFF; TECHNICAL ASSISTANCE

Sec. 435. (a) Presidential advisory councils are authorized to appoint, without regard to the provisions of title 5, United States Code, governing appointments in the competitive service, or otherwise obtain the services of, such professional, technical, and clerical personnel as may be necessary to enable them to carry out their functions, as prescribed by law.

(b) The Commissioner shall engage such personnel and technical assistance as may be required to permit Secretarial and Commissioner's advisory councils to carry out their function as prescribed by law.

(c) Subject to regulations of the Commissioner,s residential advisory councils are authorized to procure temporary and intermittent services of such personnel as are necessary to the extent authorized by section 3109 of title 5, United States Code, but at rates not to exceed the rate specified at the time of such service for grade GS–18 in section 5332 of such title.

(20 U.S.C. 1233d) Enacted April 13, 1970, P.L. 91–230, Title IV, sec. 401(a)(10), 84 Stat. 171.

MEETINGS OF ADVISORY COUNCILS

SEC. 436. (a) Each statutory advisory council shall meet at the call of the chairman thereof but not less than two times each year. Nonstatutory advisory councils shall meet in accordance with regulations promulgated by the Commissioner.

(b) Minutes of each meeting of each advisory council shall be kept and shall contain a record of the persons present, a description of matters discussed and conclusions reached, and copies of all reports received, issued, or approved by the advisory council. The accuracy of all minutes shall be certified to by the chairman of the advisory council.

(20 U.S.C. 1233e) Enacted April 13, 1970, P.L. 91–230, Title IV, sec. 401(a)(10), 84 Stat. 172.

AUDITING AND REVIEW OF ADVISORY COUNCIL ACTIVITIES

SEC. 437. (a) Each statutory advisory council shall be subject to such general regulations as the Commissioner may promulgate respecting the governance of statutory advisory councils and shall keep such records of its activities as will fully disclose the disposition of any funds which may be at its disposal and the nature and extent of its activities in carrying out its functions.

(b) The Comptroller General of the United States, or any of his duly authorized representatives, shall have access, for the purpose of audit and examination, to any books, documents, papers, and records of each statutory advisory council.

(20 U.S.C. 1233f) Enacted April 13, 1970, P.L. 91–230, Title IV, sec. 401(a)(10), 84 Stat. 172.

REPORT BY THE COMMISSIONER OF EDUCATION

SEC. 438. (a) Not later than March 31 of each calendar year after 1970, the Commissioner shall submit, as a part of the Commissioner's annual report, a report on the activities of the advisory councils which are subject to this part to the Committee on Labor and Public Welfare of the Senate and the Committee on Education and Labor of the House of Representatives. Such report shall contain, at least, a list of all such advisory councils, the names and affiliations of their members, a description of the function of each advisory council, and a statement of the dates of the meetings of each such advisory council.

(b) If the Commissioner determines that a statutory advisory council is not needed or that the functions of two or more statutory advisory councils should be combined, he shall include in the report a recommendation that such advisory council be abolished or that such functions be combined. Unless there is an objection to such action by either the Senate or the House of Representatives within ninety days after the submission of such report, the Commissioner is authorized to abolish such advisory council or combine the functions of two or more advisory councils as recommended in such report.

(20 U.S.C. 1233g) Enacted April 13, 1970, P.L. 91–230, Title IV, sec. 401(a)(10), 84 Stat. 172.

PART II—ELEMENTARY AND SECONDARY PROGRAMS

Elementary and Secondary Education Act of 1965

TITLE I—FINANCIAL ASSISTANCE TO LOCAL EDUCATIONAL AGENCIES FOR THE EDUCATION OF CHILDREN OF LOW-INCOME FAMILIES

DECLARATION OF POLICY

Sec. 101. In recognition of the special educational needs of children of low-income families and the impact that concentrations of low-income families have on the ability of local educational agencies to support adequate educational programs, the Congress hereby declares it to be the policy of the United States to provide financial assistance (as set forth in the following parts of this title) to local educational agencies serving areas with concentrations of children from low-income families to expand and improve their educational programs by various means (including preschool programs) which contribute particularly to meeting the special educational needs of educationally deprived children.

(20 U.S.C. 241a) Enacted April 11, 1965, P.L. 89–10, Title I, sec. 2, 79 Stat. 27; redesignated and amended January 2, 1968, P.L. 90–247, Title I, secs. 108(a)(2), 110, 81 Stat. 786, 787; amended April 13, 1970, P.L. 91–230, sec. 113(b)(2), 84 Stat. 126.

DURATION OF ASSISTANCE

Sec. 102. The Commissioner shall, in accordance with the provisions of this title, make payments to State educational agencies for grants to local educational agencies for the period beginning July 1, 1965, and ending June 30, 1973.

(20 U.S.C. 241b) Enacted April 11, 1965, P.L. 89–10, Title I, sec. 2, 79 Stat. 27; amended Nov. 3, 1966, P.L. 89–750, Title I, sec. 101, 80 Stat. 1191; redesignated and amended Jan. 2, 1968, P.L. 90–247, Title I, secs. 108(a)(2), 110, Title III, sec. 301(a), 81 Stat. 786, 787, 813; amended April 13, 1970, P.L. 91–230, secs. 101(a), 113(b)(3), 84 Stat. 121, 126.

Part A—Basic Grants

GRANTS—AMOUNT AND ELIGIBILITY

Sec. 103. (a)(1)(A) There is hereby authorized to be appropriated for each fiscal year for the purpose of this paragraph an amount equal to not more than 3 per centum of the amount appropriated for such year for payments to States under section 143(a) (other than payments under such section to jurisdictions excluded from the term "State" by this subsection). The Commissioner shall allot the amount appropriated pursuant to this paragraph among Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective need for such grants. In addition he shall allot from such amount to the Secretary of the Interior the amount necessary to make payments pursuant to subparagraph (B) of this paragraph, and for the fiscal year ending June 30, 1968, and each of the succeeding fiscal years ending prior to July 1, 1972, the amount necessary to meet the special educational needs of educationally deprived children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior. The maximum grant which a local educational agency in Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall be eligible to receive and the terms upon which payment shall be made to the Department of the Interior shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this part.

(B) The terms on which payment shall be made to the Department of the Interior shall include provision for payments by the Secretary of the Interior to local educational agencies with respect to out-of-State Indian children in the elementary or secondary schools of such agencies under special contracts with that Department. The amount of any such payment may not exceed, for each such child, one-half the average per pupil expenditure in the State in which the agency is located.

(2) In any case in which the Commissioner determines that satisfactory data for that purpose are available, the maximum grant which a local educational agency in a State shall be eligible to receive under this part for any fiscal year shall be (except as provided in paragraph (3)) an amount equal to the Federal percentage (established pursuant to subsection (c)) of the average per pupil expenditure in that State or, if greater, in the United States multiplied by the number of children in the school district of such agency who are aged five to seventeen, inclusive, and are (A) in families having an annual income of less than the low-income factor (established pursuant to subsection (c)), (B) in families receiving an annual income in excess of the low-income factor (established pursuant to subsection (c)) from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, or (C) living in institutions for neglected or delinquent children (other than such institutions operated by the United States) but not counted pursuant to paragraph (7) of this subsection for the purpose of a grant to a State agency, or being supported in foster homes with public funds. In any other case, the maximum grant for any local educational agency in a State shall be determined on the basis of the aggregate maximum amount of such grants for all such agencies in the county or counties in which the school district of the particular agency is located, which aggregate maximum amount shall be equal to the Federal percentage of such per pupil expenditure multiplied by the number of children of such ages in such county or counties who are described in clauses (A), (B), or (C) of the previous sentence, and shall be allocated among those agencies upon such equitable basis as may be determined by the State educational agency in accordance with basic criteria prescribed by the Commissioner. Notwithstanding the foregoing provisions of this paragraph, upon determination by the State educational agency that a local educational agency in the State is unable or unwilling to provide for the special educational needs of children, described in clause (C) of the first sentence of this paragraph, who are living in institutions for neglected or delinquent children, the State educational agency shall, if it assumes responsibility for the special educational needs of such children, be eligible to receive the portion of the allocation to

such local educational agency which is attributable to such neglected or delinquent children, but if the State educational agency does not assume such responsibility, any other State or local public agency, as determined by regulations established by the Commissioner, which does assume such responsibility shall be eligible to receive such portion of the allocation.

(3)(A) If the maximum amount of the grant determined pursuant to paragraph (1) or (2) for any local educational agency for the fiscal year ending June 30, 1967, is greater than 50 per centum of the sum budgeted by that agency for current expenditures for that year (as determined pursuant to regulations of the Commissioner), such maximum amount shall be reduced to 50 per centum of such budgeted sum.

(B) In the case of local educational agencies which serve in whole or in part the same geographical area, and in the case of a local educational agency which provides free public education for a substantial number of children who reside in the school district of another local educational agency, the State educational agency may allocate the amount of the maximum grants for those agencies among them in such manner as it determines will best carry out the purposes of this part.

(4) For purposes of this subsection, except paragraphs (5) and (7),[1] the term "State" does not include Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(5) In the case of a State agency which is directly responsible for providing free public education for handicapped children (including mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, crippled, or other health impaired children who by reason thereof require special education), the maximum grant which that agency shall be eligible to receive under this part for any fiscal year shall be an amount equal to the Federal percentage of the average per pupil expenditure in the State or, if greater, in the United States, multiplied by the number of such children in average daily attendance, as determined by the Commissioner, at schools for handicapped children operated or supported by the State agency, including schools providing special education for handicapped children under contract or other arrangement with such State agency, in the most recent fiscal year for which satisfactory data are available. Such State agency shall use payments under this part only for programs and projects (including the acquisition of equipment and where necessary the construction of school facilities) which are designed to meet the special educational needs of such children.

(6) A State educational agency which has submitted and had approved an application under section 141(c) for any fiscal year shall be entitled to receive a grant for that year under this part, based on the number of migratory children of migratory agriculture workers to be served, for establishing or improving programs for such children. The maximum total of grants which may be made available for use in any State for any fiscal year shall be an amount equal to the Federal percentage of the average per pupil expenditure in that State

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[1] Amendment effective after June 30, 1970.

or, if greater, in the United States multiplied by (A) the estimated number of such migratory children aged five to seventeen, inclusive, who reside in the State full time, and (B) the full-time equivalent of the estimated number of such migratory children aged five to seventeen, inclusive, who reside in the State part-time, as determined by the Commissioner in accordance with regulations, except that if, in the case of any State, such amount exceeds the amount required under the preceding sentence and under section 141(c)(2), the Commissioner shall allocate such excess, to the extent necessary, to other States whose maximum total of grants under this sentence would otherwise be insufficient for all such children to be served in such other States.

(7) In the case of a State agency which is directly responsible for providing free public education for children in institutions for neglected or delinquent children, the maximum grant which that agency shall be eligible to receive under this title for any fiscal year shall be an amount equal to the Federal percentage of the average per pupil expenditure in that State or, if greater, in the United States multiplied by the number of such children in average daily attendance, as determined by the Commissioner, at schools for such children operated or supported by that State agency, including schools providing education for such children under contract or other arrangement with such agency, in the most recent fiscal year for which satisfactory data are available. Such State agency shall use payments under this part only for programs and projects (including the acquisition of equipment and where necessary the construction of school facilities) which are designed to meet the special educational needs of such children.

(b) A local educational agency shall be eligible for a basic grant for a fiscal year under this part only if it meets the following requirements with respect to the number of children aged five to seventeen, inclusive, described in clauses (A), (B), and (C) of the first sentence of paragraph (2) of subsection (a):

> (1) In any case (except as provided in paragraph (3)) in which the Commissioner determines that satisfactory data for the purpose of this subsection as to the number of such children are available on a school district basis, the number of such children in the school district of such local educational agency shall be at least ten.
>
> (2) In any other case, except as provided in paragraph (3), the number of such children in the county which includes such local educational agency's school district shall be at least ten.
>
> (3) In any case in which a county includes a part of the school district of the local educational agency concerned and the Commissioner has not determined that satisfactory data for the purpose of this subsection are available on a school district basis for all the local educational agencies for all the counties into which the school district of the local educational agency concerned extends, the eligibility requirement with respect to the number of such children for such local educational agency shall be determined in accordance with regulations prescribed by the Commissioner for the purposes of this subsection.

(c) For the purposes of this section, the "Federal percentage" shall be 50 per centum and the "low-income factor" shall be $2,000 for the fiscal year ending June 30, 1966, and the fiscal year ending June 30,

1967. Except as otherwise provided in section 144, for the fiscal years ending June 30, 1968, and for the four succeeding fiscal years they shall be 50 per centum and $3,000, respectively, and for the fiscal year ending June 30, 1973 they shall be 50 per centum and $4,000, respectively.

(d) For the purposes of this section, the Commissioner shall determine the number of children aged five to seventeen, inclusive, of families having an annual income of less than the low-income factor (as established pursuant to subsection (c)) on the basis of the most recent satisfactory data available from the Department of Commerce.[1] At any time such data for a county are available in the Department of Commerce, such data shall be used in making calculations under this section. The Secretary of Health, Education, and Welfare shall determine the number of children of such ages from families receiving an annual income in excess of the low-income factor from payments under the program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, and the number of children of such ages living in institutions for neglected or delinquent children, or being supported in foster homes with public funds, on the basis of the caseload data for the month of January of the preceding fiscal year or, to the extent that such data are not available to him before April 1 of the calendar year in which the Secretary's determination is made, then on the basis of the most recent reliable data available to him at the time of such determination. When requested by the Commissioner, the Secretary of Commerce shall make a special estimate of the number of children of such ages who are from families having an annual income less than the low-income factor (established pursuant to subsection (c)) in each county or school district, and the Commissioner is authorized to pay (either in advance or by way of reimbursement) the Secretary of Commerce the cost of making this special estimate. The Secretary of Commerce shall give consideration to any request of the chief executive of a State for the collection of additional census information. For purposes of this section, the Secretary shall consider all children who are in correctional institutions to be living in institutions for delinquent children.

(e) For the purpose of this section, "the average per pupil expenditure" in a State, or in the United States, shall be the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which the computation is made, (or, if satisfactory data for that year are not available at the time of computation, then during the earliest preceding fiscal year for which satisfactory data are available) of all local educational agencies as defined in section 303(6)(A) [1] in the State, or in the United States (which for the purposes of this subsection means the fifty States and the District of Columbia), as the case may be, plus any direct current expenditures by the State for operation of such agencies (without regard to the sources of funds from which either of such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding year.

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[1] Sec. 102 of Public Law 91-230 reads as follows:

STUDY OF ALLOCATION OF FUNDS

SEC. 102. (a) The Commissioner of Education shall make a study of the allocation of sums appropriated for the purposes of title I of the Elementary and Secondary Education Act of 1965 and of the effectiveness of the various provisions of such title in making funds available to State and local educational agencies in order to meet the purposes of such title I. Such study shall make special reference to the distribution of funds to local educational agencies within counties, the means by which such funds may be concentrated in school attendance areas with the highest concentrations of children from low-income families, the appropriateness of the Federal percentage and the low-income factor provided for in subsection (c) of section 103 of such title I when considered in the light of the extra cost of providing compensatory education for educationally deprived children (including the means of providing services authorized by such title to such children residing in rural areas), and the use of special incentive grants to increase State and local effort for education.

(b) Not later than March 31, 1972, the Commissioner shall submit to the Congress a report on the study required by subsection (a), together with such recommendations as he may deem appropriate with respect to modification of programs under title I of the Elementary and Secondary Education Act of 1965. Notwithstanding the first sentence of section 103(d) of such title I, the Commissioner shall not use data for the purposes of section 103 of such title I from the 1970 census of the United States prior to July 1, 1972.

(20 U.S.C. 241c) Enacted April 11, 1965, P.L. 89–10, Title I, sec. 2, 79 Stat. 28; amended July 21, 1965, P.L. 89–77, sec. 3, 79 Stat. 243; amended Nov. 1, 1965, P.L. 89–313, sec. 6(a), 79 Stat. 1161; amended Nov. 3, 1966, P.L. 89–750, Title I, secs. 102, 103(a), 104–108, 113(b), 117, 80 Stat. 1191–1198; redesignated and amended Jan. 2, 1968, P.L. 90–247, Title I, secs. 101, 103(a), 104, 105, 107, 108(a), 81 Stat. 783–787; amended Oct. 16, 1968, P.L. 90–576, Title III, sec. 307, 82 Stat. 1097; amended April 13, 1970, P.L. 91–230, secs. 101(b), 103, 104, 105, 106, 107, 113, 84 Stat. 121–124, 126.

SEC. 104 (Repealed).

(20 U.S.C. 241d) Enacted April 11, 1965, P.L. 89–10, Title I, sec. 2, 79 Stat. 30; repealed Nov. 3, 1966, P.L. 89–750, Title I, sec. 108(a), 80 Stat. 1195.

PART B—SPECIAL INCENTIVE GRANTS

MAXIMUM ENTITLEMENT

SEC. 121. (a) In the case of any fiscal year ending after June 30, 1969, each State shall be entitled to a special incentive grant if such State has an effort index for the second preceding fiscal year that exceeds the national effort index for such year.

(b) The maximum amount of a special incentive grant for which a State is eligible for any fiscal year shall be determined by multiplying the amount of $1 for each 0.01 per centum by which the effort index of that State for the second preceding fiscal year exceeds the national effort index for such year times the aggregate number of children counted for the purposes of entitled local educational agencies within such State to basic grants in accordance with clauses (2), (5), (6), and (7) of section 103(a), except that no State shall be eligible to receive a special incentive grant under this part in an amount in excess of 15 per centum of the total amount available for grants under this part.

(20 U.S.C. 241d) Enacted Sept. 30, 1950, c. 1124, Title I, § 121, formerly Title II, § 221, as added and redesignated Jan. 2, 1968, P.L. 90–247, Title I, secs. 108 (a)(5), 110, 81 Stat. 786, 787; amended April 13, 1970, P.L. 91–230, Title I, sec. 113(b)(6), 84 Stat. 126.

APPLICATION; USE OF FUNDS

SEC. 122. Any State desiring the special incentive grant to which it is entitled under this part for any fiscal year shall make application therefor, in accordance with the requirements set forth in section 142, to the Commissioner. Such application shall be submitted at such time and contain such information as the Commissioner shall require by regulation and shall contain a statement of such policies and procedures as will insure that funds granted to the State under this part will be (1) made available to local educational agencies within that State which have the greatest need for assistance under this title, and (2) used, in accordance with the applicable provisions of this title, for programs and projects designed to meet the special educational needs of educationally deprived children.

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[1] Section 303(6)(A) of Public Law 81–874, as amended.

(20 U.S.C. 241d-1) Enacted Sept 30, 1950, c. 1124, Title I, § 121, formerly Title II, § 221, as added and redesignated Jan. 2, 1968, P.L. 90-247, Title I, secs. 108(a)(5), 110, 81 Stat. 786, 787; amended April 13, 1970, P.L. 91-230, Title I, sec. 113(b)(6), 84 Stat. 126.

DEFINITIONS

Sec. 123. For the purpose of this part the term "effort index" when applied to States, means the per centum expressing the ratio of expenditures from all non-Federal sources in a State for public elementary and secondary education to the total personal income in such State, and the term "national effort index" means the per centum expressing the ratio of such expenditures in all States to the total personal income in all States; and the term "State" means the fifty States and the District of Columbia.

(20 U.S.C. 241d-2) Enacted Sept. 30, 1950, c. 1154, Title I, § 121, formerly Title II, § 121, as added and redesignated Jan. 2, 1968, P.L. 90-247, Title I, secs. 108(a)(5), 110, 81 Stat. 786, 787; amended April 13, 1970, P.L. 91-230, Title I, sec. 113(b)(6), 84 Stat. 127.

Part C—Special Grants for Urban and Rural Schools Serving Areas With the Highest Concentrations of Children From Low-Income Families

ELIGIBILITY AND MAXIMUM AMOUNT OF GRANT

Sec. 131 (a)(1) Each local educational agency which is eligible for a grant under paragraph (2) of section 103(a) shall be entitled to an additional grant under this paragraph for any fiscal year if—

(A) The total number of children described in clause (A), (B), or (C) of section 103(a)(2) in the school district of such agency for such year amounts to at least 20 per centum of the total number of children, aged five to seventeen inclusive, in the school district of such agency for such year; or

(B) The total number of children described in clause (A), (B), or (C) of section 103(a)(2) in the school district is at least 5,000 and amounts to at least 5 per centum of the total number of children, aged five to seventeen, inclusive, in such school district.

(2) Each local educational agency which is eligible for a grant under paragraph (2) of section 103(a) and which (A) is not eligible for a grant under paragraph (1) of this subsection, but (B) would be eligible for a grant under such paragraph (1) if there were in the school district of such agency a relatively small increase in the number of children, aged five to seventeen, inclusive, described in clause (A), (B), or (C) of section 103(a)(2) shall be entitled to a grant under this paragraph (2) if the State educational agency of the State in which such agency is located determines (in accordance with criteria established by regulation of the Commissioner) that such agency has an urgent need for financial assistance to meet the special educational needs of the educationally deprived children in the school district of such agency.

(b)(1) The maximum amount of any grant to any local educational agency under paragraph (1) of subsection (a) shall be—

(A) For the fiscal year ending June 30, 1970, 30 per centum of the amount that such agency is eligible to receive for such fiscal year under paragraph (2) of section 103(a); and

(B) For any succeeding fiscal year, 40 per centum of the amount that such agency is eligible to receive for each such succeeding fiscal year.

The aggregate of the amounts for which all local educational agencies are eligible under this paragraph for any fiscal year shall not exceed the amount determined in the following manner:

(i) Compute the total amount for which all State and local educational agencies are eligible under this title for that fiscal year;

(ii) Subtract from such total, a sum equal to the figure set forth in paragraph (3) of section 144; and

(iii) If that portion of such total which is attributable to amounts for which local educational agencies are eligible under this paragraph constitutes more than 15 per centum of the remainder of such total, reduce such portion until it constitutes 15 per centum of such remainder, through ratable reductions of the maximum grants for which local educational agencies are eligible under this paragraph.

(2) The maximum amount of any grant to any local educational agency under paragraph (2) of subsection (a) shall not exceed the maximum amount to which it would have been entitled if it had been eligible under paragraph (1) of such subsection. The maximum amount which shall be available to the Commissioner for grants under such paragraph (2) of subsection (a) shall be, for the fiscal year ending June 30, 1970, equal to 3 per centum of the total amount available for grants for such fiscal year under paragraph (1) of subsection (a) and, for any succeeding fiscal year, such amount shall be equal to 5 per centum of the total amount available for grants for that year under such paragraph (1).

(c) For the purposes of this section the term "State" means the fifty States and the District of Columbia.

(d)(1) In making determinations under this section the Commissioner is authorized, in accordance with regulations prescribed by him, to use the most recent satisfactory data made available to him by the appropriate State educational agency. If satisfactory data for determining the number of children described in clause (A), (B) or (C) of section 103(a)(2) in a school district for the purpose of subsection (a) are not otherwise available to the Commissioner, such determination may be made on the basis of data furnished to him by a State educational agency with respect to the amount of the maximum grant under part A of this title allocated by such State agency to the local educational agency for such district in the State for the purpose of the second sentence of section 103(a)(2), for the fiscal year preceding the fiscal year for which such determination is made.

(2) Determinations under this section may be made on the basis of data furnished in accordance with section 103(d).

(20 U.S.C. 241d-11) Enacted April 13, 1970, P.L. 91-230, Title I, sec. 113(b)(6), 84 Stat. 127.

USES OF FUNDS

Sec. 132. (a) Funds available for grants under this part shall be used solely for programs and projects designed to meet the special educational needs of educationally deprived children in preschool programs and in elementary schools serving areas with the highest concentrations of children from low-income families, except that such funds may be used for programs and projects for such children in secondary schools serving areas with the highest concentrations of children from low-income families if the local educational agency and its State educational agency determine (in accordance with criteria established by regulation of the Commissioner) that—

(A) There is an urgent need for such programs and projects for such children in secondary schools in the area to be served by the local educational agency; and

(B) There is satisfactory assurance that such programs and projects will be at least as effective in achieving the purposes of this title as the use of such funds for programs and projects for such children in elementary schools in such area.

(b) In addition to meeting the requirements and conditions set forth in part D, applications for grants under this part shall meet such other requirements and conditions, consistent with the purpose of this title, as the Commissioner shall establish by regulation.

(20 U.S.C. 241d–12) Enacted April 13, 1970, P.L. 91–230, Title I, sec. 113(b)(6), 84 Stat. 128.

Part D—General Provisions

APPLICATION

Sec. 141. (a) A local educational agency may receive a grant under this title for any fiscal year only upon application therefor approved by the appropriate State educational agency, upon its determination (consistent with such basic criteria as the Commissioner may establish)—

(1) That payments under this title will be used for programs and projects (including the acquisition of equipment, payments to teachers of amounts in excess of regular salary schedules as a bonus for service in schools eligible for assistance under this section, and, where necessary, the construction of school facilities and plans made or to be made for such programs, projects, and facilities) (A) which are designed to meet the special educational needs of educationally deprived children in school attendance areas having high concentrations of children from low-income families and (B) which are of sufficient size, scope, and quality to give reasonable promise of substantial progress toward meeting those needs and to this end involve an expenditure of not less than $2,500, except that the State educational agency may with respect to any applicant reduce the $2,500 requirement if it determines that it would be impossible, for reasons such as distance or difficulty of travel, for the applicant to join effectively with other local educational agencies for the purpose of meeting the requirement; nd naothing herein shall be deemed to preclude two or more local educational agencies from entering into agreements, at their option, for carrying out jointly operated programs

and projects under this title: *Provided*, That the amount used for plans for any fiscal year shall not exceed 1 per centum of the maximum amount determined for that agency for that year pursuant to section 103 or $2,000, whichever is greater;

(2) That, to the extent consistent with the number of educationally deprived children in the school district of the local educational agency who are enrolled in private elementary and secondary schools, such agency has made provision for including special educational services and arrangements (such as dual enrollment, educational radio and television, and mobile educational services and equipment) in which such children can participate;

(3) That (A) the local educational agency has provided satisfactory assurance that the control of funds provided under this title, and title to property derived therefrom, shall be in a public agency for the uses and purposes provided in this title, and that a public agency will administer such funds and property, (B) Federal funds made available under this title will be so used (i) as to supplement and, to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be made available from non-Federal sources for the education of pupils participating in programs and projects assisted under this title, and (ii) in no case, as to supplant such funds from non-Federal sources, and (C) State and local funds will be used in the district of such agency to provide services in project areas which, taken as a whole, are at least comparable to services being provided in areas in such district which are not receiving funds under this title: *Provided*, That any finding of noncompliance with this clause shall not affect the payment of funds to any local educational agency until the fiscal year beginning July 1, 1972, and *Provided further*, That each local educational agency receiving funds under this title shall report on or before July 1, 1971, and on or before July 1 of each year thereafter with respect to its compliance with this clause;[1]

(4) In the case of any project for construction of school facilities, that the project is not inconsistent with overall State plans for the construction of school facilities and that the requirements of section 145 will be complied with on all such construction projects;

(5) In the case of an application for payments for planning, (A) that the planning was or will be directly related to programs or projects to be carried out under this title and has resulted, or is reasonably likely to result in a program or project which will be carried out under this title, and (B) that planning funds are needed because of the innovative nature of the program or project or because the local educational agency lacks the resources necessary to plan adequately for programs and projects to be carried out under this title;

(6) That effective procedures, including provisions for appropriate objective measurements of educational achievement, will be adopted for evaluating at least annually the effectiveness of

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[1] Sec. 109(b) of Public Law 91-230 reads as follows:

(b) The amendment made by subsection (a) shall be effective with respect to all applications submitted to State educational agencies after thirty days after the date of enactment of this Act. Nothing in this section shall be construed to authorize the supplanting of State and local funds with Federal funds prior to the effective date of the amendment made by this section.

the programs in meeting the special educational needs of educationally deprived children;

(7) That the local educational agency will make an annual report and such other reports to the State educational agency, in such form and containing such information (which in the case of reports relating to performance is in accordance with specific performance criteria related to program objectives), as may be reasonably necessary to enable the State educational agency to perform its duties under this title, including information relating to the educational achievement of students participating in programs carried out under this title, and will keep such records and afford such access thereto as the State educational agency may find necessary to assure the correctness and verification of such reports;

(8) That the local educational agency is making the application and all pertinent documents related thereto available to parents and other members of the general public and that all evaluations and reports required under paragraph (7) shall be public information;

(9) In the case of a project for the construction of school facilities, that, in developing plans for such facilities due consideration has been given to compliance with such standards as the Secretary may prescribe or approve in order to insure that facilities constructed with the use of Federal funds under this title shall be, to the extent appropriate in view of the uses to be made of the facilities, accessible to and usable by handicapped persons;

(10) That effective procedures will be adopted for acquiring and disseminating to teachers and administrators significant information derived from educational research, demonstration, and similar projects, and for adopting, where appropriate, promising educational practices developed through such projects;

(11) In the case of a project for the construction of school facilities, that, in developing plans for such facilities, due consideration has been given to excellence of architecture and design, and to the inclusion of works of art (not representing more than 1 per centum of the cost of the project);

(12) In the case of projects involving the use of education aides, the local educational agency sets forth well-developed plans providing for coordinated programs of training in which education aides and the professional staff whom they are assisting will participate together; and

(13) In case of funds received under part C of this title, the local educational agency sets forth such procedures and policies and provides such assurances as the Commissioner may require by regulation for the uses of funds available under such part C to carry out the purposes of this title, and, for any fiscal year ending after June 30, 1970, sets forth a comprehensive plan for meeting the special educational needs of children to be served under such part C including provisions for effective use of all funds available under this title and provisions setting forth specific objectives of such plan and the criteria and procedures, including objective measurements of educational achievement, that will be used to evaluate at least annually the extent to which the objectives of the plan have been met.

(b) The State educational agency shall not finally disapprove in whole or in part any application for funds under this title without first affording the local educational agency submitting the application reasonable notice and opportunity for a hearing.

(c)(1) A State educational agency or a combination of such agencies may apply for a grant for any fiscal year under this title to establish or improve, either directly or through local educational agencies, programs of education for migratory children of migratory agricultural workers. The Commissioner may approve such an application only upon his determination—

> (A) that payments will be used for programs and projects (including the acquisition of equipment and where necessary the construction of school facilities) which are designed to meet the special educational needs of migratory children of migratory agricultural workers, and to coordinate these programs and projects with similar programs and projects in other States, including the transmittal of pertinent information with respect to school records of such children;
>
> (B) that in planning and carrying out programs and projects there has been and will be appropriate coordination with programs administered under part B of title III of the Economic Opportunity Act of 1964; and
>
> (C) that such programs and projects will be administered and carried out in a manner consistent with the basic objectives of clauses (1)(B) and (2) through (12)[1] of subsection (a), and of section 142.

The Commissioner shall not finally disapprove an application of a State educational agency under this paragraph except after reasonable notice and opportunity for a hearing to the State educational agency.

(2) If the Commissioner determines that a State is unable or unwilling to conduct educational programs for migratory children of migratory agricultural workers, or that it would result in more efficient and economic administration, or that it would add substantially to the welfare or educational attainment of such children, he may make special arrangements with other public or nonprofit private agencies to carry out the purposes of this subsection in one or more States, and for this purpose he may set aside on an equitable basis and use all or part of the maximum total of grants available for such State or States.

(3) For purposes of this subsection, with the concurrence of his parents, a migratory child of a migratory agricultural worker shall be deemed to continue to be such a child for a period, not in excess of five years, during which he resides in the area served by the agency carrying on a program or project under this subsection.

(20 U.S.C. 241e) Enacted April 11, 1965, P.L. 89-10, Title I, sec. 2, 79 Stat. 30; amended Nov. 3, 1966, P.L. 89-750, Title I, secs. 103(b), 108(b)(1), (2), 110, 111(a)-(e), 80 Stat. 1192, 1195, 1196; redesignated and amended Jan. 2, 1968, P.L. 90-247, Title I, secs. 103(b), 106, 108(a)(2), 109, 110, 81 Stat. 783, 784, 786, 787; redesignated and amended April 13, 1970, P.L. 91-230, Title I, secs. 108, 109(a), 110, 111(b), 113(b)(3), (4), (7), 84 Stat. 124-126, 128.

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[1] Apparent error; should be numbered paragraph (13).

ASSURANCES FROM STATES

SEC. 142. (a) Any State desiring to participate under this title (except with respect to the program described in section 141(c) relating to migratory children of migratory agricultural workers) shall submit through its State educational agency to the Commissioner an application, in such detail as the Commissioner deems necessary, which provides satisfactory assurance—

(1) that, except as provided in section 143(b), payments under this title will be used only for programs and projects which have been approved by the State educational agency pursuant to section 141(a) and which meet the applicable requirements of that section and of section 103(a)(5) and that such agency will in all other respects comply with the provisions of this title, including the enforcement of any obligations imposed upon a local educational agency under section 141(a);

(2) that such fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the State (including such funds paid by the State to local educational agencies) under this title; and

(3) that the State educational agency will make to the Commissioner (A) periodic reports (including the results of objective measurements required by section 141(a)(6) and of research and replication studies) evaluating the effectiveness of payments under this title and of particular programs assisted under it in improving the educational attainment of educationally deprived children, and (B) such other reports as may be reasonably necessary to enable the Commissioner to perform his duties under this title (including such reports as he may require to determine the amounts which the local educational agencies of that State are eligible to receive for any fiscal year), and assurance that such agency will keep such records and afford such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(b) The Commissioner shall approve an application which meets the requirements specified in subsection (a), and he shall not finally disapprove an application except after reasonable notice and opportunity for a hearing to the State educational agency.

(20 U.S.C. 241f) Enacted April 11, 1965, P.L. 89–10, Title I, sec. 2, 79 Stat. 31; amended Nov. 1, 1965, P.L. 89–313, sec. 6(b), 79 Stat. 1162; amended Nov. 3, 1966, P.L. 89–750, Title I, sec. 103(c)(1), 80 Stat. 1193; redesignated and amended Jan. 2, 1968, P.L. 90–247, Title I, secs. 103(c), 108(a)(2), 110, 81 Stat. 783, 786, 787; redesignated and amended April 13, 1970, P.L. 91–230, Title I, secs. 111(a), 113(b)(3), (4), 84 Stat. 125, 126.

PAYMENT

SEC. 143(a)(1) The Commissioner shall, subject to the provisions of section 144, from time to time pay to each State, in advance or otherwise, the amount which it and the local educational agencies of that State are eligible to receive under this title. Such payments shall take into account the extent (if any) to which any previous payment to such State educational agency under this title (whether or not in the same fiscal year) was greater or less than the amount which should have been paid to it.

(2) From the funds paid to it pursuant to paragraph (1) each State educational agency shall distribute to each local educational agency of the State which is not ineligible by reason of section 103(b) and which has submitted an application approved pursuant to section 141(a) the amount for which such application has been approved, except that this amount shall not exceed the maximum amount determined for that agency pursuant to section 103 or section 131.

(b) The Commissioner is authorized to pay to each State amounts equal to the amounts expended by it for the proper and efficient performance of its duties under this title (including technical assistance for the measurements and evaluations required by section 141(a)(6), except that the total of such payments in any fiscal year shall not exceed—

(1) 1 per centum of the total maximum grants for State and local educational agencies of the State as determined for that year pursuant to sections 103, 131, and 144; or

(2) $150,000, or $25,000 in the case of Puerto Rico, Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands,

whichever is the greater.

(c)(1) No payments shall be made under this title for any fiscal year to a State which has taken into consideration payments under this title in determining the eligibility of any local educational agency in that State for State aid, or the amount of that aid, with respect to the free public education of children during that year or the preceding fiscal year.

(2) No payments shall be made under this title to any local educational agency for any fiscal year unless the State educational agency finds that the combined fiscal effort (as determined in accordance with regulations of the Commissioner) of that agency and the State with respect to the provision of free public education by that agency for the preceding fiscal year was not less than such combined fiscal effort for that purpose for the second preceding fiscal year.

(20 U.S.C. 241g) Enacted April 11, 1965, P.L. 89–10, Title I, sec. 2, 79 Stat. 32; amended Nov. 1, 1965, P.L. 89–313, sec. 7(a), 79 Stat. 1162; amended Nov. 3, 1966, P.L. 89–750, Title I, secs. 103(c)(2), 108(b)(3), 112, 113(a), 80 Stat. 1193, 1195, 1197; redesignated and amended Jan. 2, 1968, P.L. 90–247, Title I, secs. 102, 103(c), 108(a)(2), 110, 81 Stat. 783, 786, 787; redesignated and amended April 13, 1970, P.L. 91–230, Title I, secs. 113(b)(3), (4), (8), 114, 84 Stat. 126, 129, 130.

ADJUSTMENTS WHERE NECESSITATED BY APPROPRIATIONS

SEC. 144. If the sums appropriated for any fiscal year for making the payments provided in this title are not sufficient to pay in full the total amounts which all local and State educational agencies are eligible to receive under this title for such year—

(1) the amount available for each grant to a State agency eligible for a grant under paragraph (5), (6), or (7) of section 103(a) shall be equal to the maximum grant as computed under such paragraph;

(2) allocations shall be made to local educational agencies on the basis of computations, in accordance with section 103(a)(2) as reduced ratably except that—

(A) until appropriations are sufficient to satisfy all maximum grants as computed by using a low-income factor of $2,000, the low-income factor (referred to in section 103(c)) for such year shall be $2,000; and

(B) the aggregate amount available for grants to local educational agencies within each State shall be not less than the aggregate amount allocated to local educational agencies within such State for the fiscal year ending June 30, 1967, until the total appropriations for that fiscal year exceed $1,500,000,000 for Part A of title I;

(3) that part of such sums for any fiscal year which is in excess of $1,396,975,000 shall be allocated on the basis of computations in accordance with remaining entitlements under section 103(a)(2), and entitlements under sections 121 and 131, as ratably reduced, but in no case shall allocations on the basis of computations in accordance with section 131 exceed 15 per centum of such excess; and

(4) the amount available for payments to each State educational agency for the purposes of section 143(b) shall be equal to 1 per centum of the aggregate amounts available within that State pursuant to paragraphs (1), (2), and (3), except that no State shall receive less than the minimum amount provided for in section 143(b)(2).[1]

In case additional funds become available for making payments under this title or that year, such reduced amounts shall be increased on the same basis that they were reduced. In order to permit the most effective use of all appropriations made to carry out this title, the Commissioner may set dates by which (1) State educational agencies must certify to him the amounts for which the applications of educational agencies have been or will be approved by the State, and (2) State educational agencies referred to in section 103(a)(6) must file applications. If the maximum grant a local educational agency or an agency referred to in section 103(a)(6) would receive (after any ratable reduction which may have been required under the first sentence of this section) is more than an amount which the State educational agency determines, in accordance with regulations prescribed by the Commissioner, such agency will use, the excess amount shall be made available first to educational agencies in that State. Determinations of the educational agencies to which such excess amounts shall be made available shall be made by the State educational agency in furtherance of the purposes of this title in accordance with criteria prescribed by the Commissioner which are designed to assure that such excess amounts will be made available to other eligible educational agencies with the greatest need, for the purpose of, where appropriate, redressing inequities inherent in, or mitigating hardships caused by, the application of the provisions of paragraph (2) of section 103(a) as a result of such factors as population shifts and changing economic circumstances. In the event excess amounts remain after carrying out the preceding two sentences of this section, such excess amounts shall be distributed among the other States as the Commissioner shall prescribe for use by local educational agencies in such States for the purposes of this title in such manner as the respective State educational agencies shall prescribe.

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[1] Section 113(d) of Public Law 91-230 provides as follows:

(d) Effective for fiscal years ending after June 30, 1972, such section 144 is further amended—

(1) by inserting after the first sentence the following new sentence: "For the purposes of parts B and C of this title, in determining entitlements under such parts, the number of children described in section 103(a) shall be ascertained by using a low-income factor of (i) $2,000 when allocations are made under clause (A) of paragraph (2) in the first sentence of this section, (ii) $3,000 when allocations are made under clause (B) of such paragraph, and (iii) $4,000 when allocations are made under clause (C) of such paragraph."; and

(2) by striking out clause (B) of paragraph (2) and inserting in lieu thereof the following:

"(B) until appropriations are sufficient to satisfy all maximum grants as computed by using a low-income factor of $3,000, any amount remaining after allocations are computed pursuant to clause (A) shall be allocated by using a low-income factor of $3,000 with respect to children described in section 103(a)(2) who are not counted for purposes of clause (A); and

"(C) until appropriations are sufficient to satisfy all maximum grants as computed by using a low-income factor of $4,000, any amount remaining after allocations are computed pursuant to clauses (A) and (B) shall be allocated by using a low-income factor of $4,000 with respect to children described in section 103(a) (2) who are not counted for purposes of clause (A) or (B); and

"(D) the aggregate amount available for grants to local educational agencies within each State shall be not less than the aggregate amount allocated to local educational agencies within such State for the fiscal year ending June 30, 1967, until the total sums available from appropriations for that fiscal year exceed $1,500,000,000 for Part A of title I; and".

(20 U.S.C. 241h) Enacted April 11, 1965, P.L. 89-10, sec. 2, 79 Stat. 33; amended Nov. 3, 1966, P.L. 89-750, Title I, sec. 114, 80 Stat. 1197; redesignated and amended Jan. 2, 1968, P.L. 90-247, Title I, secs. 107(b), 110, 81 Stat. 785, 787; redesignated and amended April 13, 1970, P.L. 91-230, Title I, sec. 113(b)(3), (4) (c), and (d), 84 Stat. 126, 129.

WITHHOLDINGS

Sec. 1[illegible]6. Whenever the Commissioner, after reasonable notice and opportunity for hearing to any State educational agency, finds that there has been a failure to comply substantially with any assurance set forth in the application of that State approved under section 141(c) or 142(b) the Commissioner shall notify the agency that further payments will not be made to the State under this title (or, in his discretion, that the State educational agency shall not make further payments under this title to specified local educational agencies affected by the failure) until he is satisfied that there is no longer any such failure to comply. Until he is so satisfied, no further payments shall be made to the State under this title, or payments by the State educational agency under this title shall be limited to local educational agencies not affected by the failure, as the case may be.

(20 U.S.C. 241j) Enacted April 11, 1965, P.L. 89-10, Title I, sec. 2, 79 Stat. 33; amended Nov. 3, 1966, P.L. 89-750, Title I, sec. 103(c)(3), 80 Stat. 1193; redesignated and amended Jan. 2, 1968, P.L. 90-247, Title I, secs. 108(a)(4), (b), 110, 81 Stat. 786, 787; amended and redesignated April 13, 1970, P.L. 91-230, Title I, sec. 113(b) (4), (9), 84 Stat. 126, 129.

JUDICIAL REVIEW

Sec. 147 (a) If any State is dissatisfied with the Commissioner's final action with respect to the approval of its application submitted under section 141(c) or 142(b) or with his final action under section 146, such State may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

(b) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(c) Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(20 U.S.C. 241k) Enacted April 11, 1965, P.L. 89–10, Title I, sec. 2, 79 Stat. 33; amended Nov. 3, 1966, P.L. 89–750, Title I, sec. 103(c)(4), 80 Stat. 1193; redesignated and amended Jan. 2, 1968, P.L. 90–247, Title I, secs. 108(a)(4), (b), 110, 81 Stat. 786, 787; amended and redesignated April 13, 1970, P.L. 91–230, Title I, sec. 113(b)(4), (10), 84 Stat. 125, 129.

NATIONAL ADVISORY COUNCIL

SEC. 148. (a) There shall be a National Advisory Council on the Education of Disadvantaged Children (hereinafter in this section referred to as the "National Council") consisting of fifteen members appointed by the President, without regard to the provisions of title 5, United States Code, governing appointment in the competitive service, for terms of three years, except that (1) in the case of initial members, five shall be appointed for terms of one year each and five shall be appointed for terms of two years each, and (2) appointments to fill vacancies shall be only for such terms as remain unexpired. The National Council shall meet at the call of the Chairman.

(b) The National Council shall review and evaluate the administration and operation of this title, including its effectiveness in improving the educational attainment of educationally deprived children, including the effectiveness of programs to meet their occupational and career needs, and make recommendations for the improvement of this title and its administration and operation. These recommendations shall take into consideration experience gained under this and other Federal educational programs for disadvantaged children and, to the extent appropriate, experience gained under other public and private educational programs for disadvantaged children.

(c) The National Council shall make such reports of its activities, findings, and recommendations (including recommendations for changes in the provisions of this title) as it may deem appropriate and shall make an annual report to the President and the Congress not later than March 31 of each calendar year. Such annual report shall include a report specifically on which of the various compensatory education programs funded in whole or in part under the provisions of this title, and of other public and private educational programs for educationally deprived children, hold the highest promise for raising the educational attainment of these educationally deprived children. The President is requested to transmit to the Congress such comments and recommendations as he may have with respect to such report.

(20 U.S.C. 241l) Enacted April 11, 1965, P.L. 89–10, Title I, sec. 2, 79 Stat. 34; amended Nov. 3, 1966, P.L. 89–750, Title I, sec. 115, 80 Stat. 1197; redesignated and amended Jan. 2, 1968, P.L. 90–247, Title I, secs. 108(a)(4), 110, 114, 81 Stat. 786–788; amended and redesignated April 13, 1970, P.L. 91–230, Title I, secs. 112, 113(b)(4), 84 Stat. 125, 126.

TREATMENT OF EARNINGS FOR PURPOSES OF AID TO FAMILIES WITH DEPENDENT CHILDREN

SEC. 149. (a) Notwithstanding the provisions of title IV of the Social Security Act, a State plan approved under section 402 of such Act shall provide that for a period of not less than twelve months, and may provide that for a period of not more than twenty-four months, the first $85 earned by any person in any month for services rendered to any program assisted under this title of this Act shall not be regarded (A) in determining the need of such person under such approved State plan or (B) in determining the need of any other individual under such approved State plan.

(b) Notwithstanding the provisions of subsection (a) of this section, no funds to which a State is otherwise entitled under title IV of Social Security Act for any period before the fourth month after the adjournment of the State's first regular legislative session which adjourns more than sixty days after enactment of the Elementary and Secondary Education Amendments of 1966, shall be withheld by reason of any action taken pursuant to a State statute which prevents such State from complying with the requirements of subsection (a) of this section.

(20 U.S.C. 241m) Enacted Nov. 3, 1966, P.L. 89-750, Title I, sec. 109, 80 Stat. 1195; redesignated Jan. 2, 1968, P.L. 90-247, Title I, secs. 108(a)(4), 110, 81 Stat. 786, 787; redesignated April 13, 1970, P.L. 91-230, Title I, sec. 113(b)(4), 84 Stat. 126.

SHORT TITLE

SEC. 150. This title may be cited as "Title I of the Elementary and Secondary Education Act of 1965."

Enacted Nov. 3, 1966, P.L. 89-750, Title I, sec. 116, 80 Stat. 1198; redesignated Jan. 2, 1968, P.L. 90-247, Title I, secs. 108(a)(4), 110, 81 Stat. 786, 787; redesignated April 13, 1970, P.L. 91-230, sec. 113(b)(4), 84 Stat. 126.

Title III (P.L. 81-874)—General

ADMINISTRATION

SEC. 301.[11] (a) (Repealed).

(b) The Commissioner shall administer this Act, and he may make such regulations and perform such other functions as he finds necessary to carry out the provisions of this Act.

(c) The Commissioner shall include in his annual report to the Congress a full report of the administration of his functions under this Act, including a detailed statement of receipts and disbursements.

(20 U.S.C. 242) Enacted Sept. 30, 1950, c. 1124, P.L. 874, 81st Cong., sec. 7, 64 Stat. 1107; redesignated as Title III, sec. 301, April 11, 1965, P.L. 89-10, Title I, sec. 3(c)(1), 79 Stat. 35; amended Nov. 3, 1966, P.L. 89-750, Title II, sec. 205, 80 Stat. 1212; subsection (a) repealed April 13, 1970, P.L. 91-230, Title IV, sec. 401(f)(1) and superseded by sec. 422 of P.L. 90-247, Title IV, as amended (20 U.S.C. 1232a).

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[11] Title III and section 301 of the Act of Sept. 30, 1950, P.L. 81-874. Rerferences in this title to Title I of the Elementary and Secondary Education Act of 1965, are to its original designation on enactment, "Title II" of Public Law 81-874.

Provisions of this title (as well as provisions of other acts) repealed by P.L. 91-230 are superseded by provisions of the General Education Provisions Act, as added by Title IV of P.L. 91-230, amendments to Title IV of P.L. 90-247.

USE OF OTHER FEDERAL AGENCIES; TRANSFER AND AVAILABILITY OF APPROPRIATIONS

SEC. 302. (a) In carrying out his functions under this Act, the Commissioner is authorized, pursuant to proper agreement with any other Federal department or agency, to utilize the services and facilities of such department or agency, and, when he deems it necessary or appropriate, to delegate to any officer or employee thereof the function under section 6 of making arrangements for providing free public education. Payment to cover the cost of such utilization or of carrying out such delegated function shall be made either in advance or by way of reimbursement, as may be provided in such agreement.

(b) All Federal departments or agencies administering Federal property on which children reside, and all such departments or agencies principally responsible for Federal activities which may occasion assistance under title I, shall to the maximum extent practicable comply with requests of the Commissioner for information he may require in carrying out the purposes of title I.

(c) Such portion of the appropriations of any other department or agency for the fiscal year ending June 30, 1951, as the Director of the Bureau of the Budget determines to be available for the same purposes as title I, shall, except to the extent necessary to carry out during such year contracts made prior to the enactment of title I, be transferred to the Commissioner for use by him in carrying out such purposes.

(d) No appropriation to any department or agency of the United States, other than an appropriation to carry out this Act, shall be available for the employment of teaching personnel for the provision of free public education for children in any State or for payments to any local educational agency (directly or through the State educational agency) for free public education for children, except that nothing in the foregoing provisions of this subsection shall affect the availability of appropriations for the maintenance and operation of school facilities (1) on Federal property under the control of the Atomic Energy Commission or (2) by the Bureau of Indian Affairs, or the availability of appropriations for the making of payments directed to be made by section 91 of the Atomic Energy Community Act of 1955, as amended, or the availability of appropriations under the Act of April 16, 1934, commonly referred to as the Johnson-O'Malley Act (25 U.S.C., sec. 452).

(20 U.S.C. 243) Enacted Sept. 30, 1950, c. 1124, P.L. 874, 81st Cong., Title III, sec. 302, formerly sec. 8, 64 Stat. 1108; amended Aug. 8, 1953, c. 402, P.L. 248, 83d Cong., sec. 9, 67 Stat. 536; amended Aug. 4, 1955, c. 543, c. 11, P.L. 22 84th Cong., sec. 202, 69 Stat. 485; amended Aug. 12, 1955, c. 868, P.L. 382, 84th Cong., sec. 1, 69 Stat. 713; amended Aug. 3, 1956, c. 915, P.L. 949, 84th Cong., Title II, sec. 210, 70 Stat. 972; amended Aug. 12, 1958, P.L. 85–620, Title II, sec. 204, 72 Stat. 560; redesignated and amended April 11, 1965, P.L. 89–10, Title 1, sec. 3(c), 79 Stat. 35, amended April 13, 1970, P.L. 91–230, Title IV, sec. 401(c)(1), 84 Stat. 173. Repealed provision superseded by sec. 411 of P.L. 90–247, Title IV, as amended (20 U.S.C. 1231(a)).

DEFINITIONS

SEC. 303. For the purposes of this Act—

(1) The term "Federal property" means real property which is owned by the United States or is leased by the United States, and which is not subject to taxation by any State or any political sub-

division of a State or by the District of Columbia. Such term includes (A) except for purposes of section 6, real property held in trust by the United States for individual Indians or Indian tribes, and real property held by individual Indians or Indian tribes which is subject to restrictions on alienation imposed by the United States, (B) for one year beyond the end of the fiscal year in which occurred the sale or transfer thereof by the United States, any property considered prior to such sale or transfer to be Federal property for the purposes of this act, (C) any low-rent housing whether or not owned by the United States) which is part of a low-rent housing project assisted under the United States Housing Act of 1937, section 516 of the Housing Act of 1949, or part B of title III of the Economic Opportunity Act of 1964, and (D) any school which is providing flight training to members of the Air Force under contractual arrangements with the Department of the Air Force at an airport which is owned by a State or a political subdivision of a State. Such term also includes any interest in Federal property (as defined in the foregoing provisions of this paragraph) under an easement, lease, license, permit, or other arrangement, as well as any improvements of any nature (other than pipelines or utility lines) on such property even though such interests or improvements are subject to taxation by a State or political subdivision of a State or by the District of Columbia. Notwithstanding the foregoing provisions of this paragraph, such term does not include any real property under the jurisdiction of the Post Office Department and used primarily for the provision of postal services.[3]

(2) The term "child," except as used in title II, means any child who is within the age limits for which the applicable State provides free public education.

(3) The term "parent" includes a legal guardian or other person standing in loco parentis.

(4) The term "free public education" means education which is provided at public expense, under public supervision and direction, and without tuition charge, and which is provided as elementary or secondary school education in the applicable State, except that for the purposes of title II such term does not include any education provided beyond grade 12.

(5) The term "current expenditures" means expenditures for free public education, including expenditures for administration, instruction, attendance and health services, pupil transportation services, operation and maintenance of plant, fixed charges, and net expenditures to cover deficits for food services and student body activities, but not including expenditures for community services, capital outlay, and debt service, or any expenditures made from funds granted under title II of this Act or title II or III of the Elementary and Secondary Education Act of 1965.

(6) (A) For purposes of title I, the term "local educational agency" means a board of education or other legally constituted local school authority having administrative control and direction of free public education in a county, township, independent, or other school district located within a State. Such term includes any State agency which directly operates and maintains facilities for providing free public education.

(B) For purposes of title II, the term "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools. Such term includes any other public institution or agency having administrative control and direction of a public elementary or secondary school, and it also includes (except for purposes of sections 203(a)(2), 203(b), and 205(a)(1)) any State agency which is directly responsible for providing free public education for handicapped children (including mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, crippled, or other health impaired children who by reason thereof require special education) or for children in institutions for neglected or delinquent children.

(7) The term "State educational agency" means the officer or agency primarily responsible for the State supervision of public elementary and secondary schools.

(8) The term "State" means a State, Puerto Rico, Wake Island, Guam, the District of Columbia, American Samoa, or the Virgin Islands, and for purposes of title II, such term includes the Trust Territory of the Pacific Islands.

(9) The terms "Commissioner of Education" and "Commissioner" mean the United States Commissioner of Education.

(10) Average daily attendance shall be determined in accordance with State law, except that (A) the average daily attendance of children with respect to whom payment is to be made under section 3 or 4 of this Act shall be determined in accordance with regulations of the Commissioner, and (B) notwithstanding any other provision of this Act, where the local educational agency of the school district in which any child resides makes or contracts to make a tuition payment for the free public education of such child in a school situated in another school district, for purposes of this Act the attendance of such child at such school shall be held and considered (i) to be attendance at a school of the local educational agency so making or contracting to make such tuition payment, and (ii) not to be attendance at a school of the local educational agency receiving such tuition payment or entitled to receive such payment under the contract.

(11) The term "county" means those divisions of a State utilized by the Secretary of Commerce in compiling and reporting data regarding counties.

(12) The term "construction" includes the preparation of drawings and specifications for school facilities; erecting, building, acquiring, altering, remodeling, improving, or extending school facilities; and the inspection and supervision of the construction of school facilities.

(13) The term "school facilities" means classrooms and related facilities (including initial equipment) for free public education and interests in land (including site, grading, and improvements) on which such facilities are constructed, except that such term does not include those gymnasiums and similar facilities intended primarily for exhibitions for which admission is to be charged to the general public.

(14) The term "equipment" includes machinery, utilities, and built-in equipment and any necessary enclosures or structures to house them, and includes all other items necessary for the functioning of a particular facility as a facility for the provision of educational services, including items such as instructional equipment and necessary furniture, printed, published, and audio-visual instructional materials, and books, periodicals, documents, and other related materials.

(15) For the purpose of title II, the term "elementary school" means a day or residential school which provides elementary education, as determined under State law, and the term "secondary school" means a day or residential school which provides secondary education, as determined under State law, except that it does not include any education provided beyond grade 12.

(20 U.S.C. 244) Enacted Sept. 30, 1950, c. 1124, P.L. 874, 81st Cong., Title III, sec. 303, formerly sec. 9, 64 Stat. 1108; amended Aug. 8, 1953, c. 402, P.L. 248, 83d Cong., sec. 10, 67 Stat. 536; amended Aug. 1, 1956, c. 852, P.L. 896, 84th Cong., sec. 10, 70 Stat. 909; amended Aug. 3, 1956, c. 915, P.L. 949, 84th Cong., Title II, sec. 211, 70 Stat. 972; amended Aug. 12, 1958, P.L. 85–620, Title II, sec. 205, 72 Stat. 560; amended June 25, 1959, P.L. 86–70, sec. 18(d)(4), 73 Stat. 145; amended July 12, 1960, P.L. 86–624, sec. 14(d)(4), 74 Stat. 414; amended Oct. 16, 1964, P.L. 88–665, Title XI, sec. 1102(b), 78 Stat. 1109; redesignated, and amended April 11, 1965, P.L. 89–10, Title I, secs. 3(c)(1), 4(a)-(c), (d)(1), (e), 79 Stat. 35; amended Nov. 1, 1965, P.L. 89–313, sec. 6(c), 79 Stat. 1162; amended Nov. 3, 1966, P.L. 89–750, Title I, sec. 117(a)(1), (b), Title II, sec. 206, 80 Stat. 1198, 1199, 1213; amended Jan. 2, 1968, P.L. 90–247, Title II, sec. 201, 81 Stat. 806; amended April 13, 1970, P.L. 91–230, Title II, sec. 203(b), 84 Stat. 156. Amendment effective after June 30, 1970.

Elementary and Secondary Education Act of 1965

(P.L. 89–10)

Titles II, III, V, VII, and VIII

AN ACT To strengthen and improve educational quality and educational opportunities in the Nation's elementary and secondary schools

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Elementary and Secondary Education Act of 1965".

Title I—Financial Assistance to Local Educational Agencies for the Education of Children of Low-Income Families and Extension of Public Law 874, Eighty-First Congress

* * * * * * *

(Note.—Title I is an amendment to P.L. 874, 81st Cong., and is included herein on p. 23 as a separate program.)

TITLE II—SCHOOL LIBRARY RESOURCES, TEXTBOOKS AND OTHER INSTRUCTIONAL MATERIALS

APPROPRIATIONS AUTHORIZED

Sec. 201. (a) The Commissioner shall carry out a program for making grants for the acquisition of school library resources, textbooks, and other printed and published instructional materials for the use of children and teachers in public and private elementary and secondary schools.

(b) For the purpose of making grants under this title, there are hereby authorized to be appropriated the sum of $100,000,000 for the fiscal year ending June 30, 1966, $125,000,000 for the fiscal year ending June 30, 1967, $150,000,000 for the fiscal year ending June 30, 1968, $162,500,000 for the fiscal year ending June 30, 1969, $200,000,000 for each of the fiscal years ending June 30, 1970, and June 30, 1971, $210,000,000 for the fiscal year ending June 30, 1972, and $220,000,000 for the fiscal year ending June 30, 1973.

(20 U.S.C. 821) Enacted April 11, 1965, P.L. 89-10, Title II, sec. 201, 79 Stat. 36; amended Nov. 3, 1966, P.L. 89-750, Title I, sec. 121, 80 Stat. 1199; amended Jan. 2, 1968, P.L. 90-247, Title III, sec. 301(b), 81 Stat. 813; amended April 13, 1970, P.L. 91-230, Title I, sec. 121(a), 84 Stat. 130.

ALLOTMENT TO STATES

SEC. 202. (a)(1) There is hereby authorized to be appropriated for each fiscal year for the purposes of this paragraph an amount equal to not more than 3 per centum of the amount appropriated for such year for payments to States under section 201(b). The Commissioner shall allot the amount appropriated pursuant to this paragraph among Puerto Rico, Guam, American Samoa the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs for assistance under this title. In addition, for the fiscal year ending June 30, 1968, and each of the succeeding fiscal years ending prior to July 1, 1972, he shall allot from such amount to (A) the Secretary of the Interior the amount necessary for such assistance for children and teachers in elementary and secondary schools operated for Indian children by the Department of the Interior, and (B) the Secretary of Defense the amount necessary for such assistance for children and teachers in the overseas dependents schools of the Department of Defense. The terms upon which payments for such purpose shall be made to the Secretary of Interior and the Secretary of Defense shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purpose of this title.

(2) From the sums appropriated for carrying out this title for any fiscal year pursuant to section 201(b), the Commissioner shall allot to each State an amount which bears the same ratio to the total of such sums as the number of children enrolled in the public and private elementary and secondary schools of that State bears to the total number of children so enrolled in such schools in all of the States. The number of children so enrolled shall be determined by the Commissioner on the basis of the most recent satisfactory data available to him. For purposes of this subsection, the term "State" shall not include the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) The amount of any State's allotment under subsection (a) for any fiscal year which the Commissioner determines will not be required for such fiscal year shall be avilable for reallotment from time to time, on such dates during such year as the Commissioner may fix, to other States in proportion to the original allotments to such States under subsection (a) for that year but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Commissioner estimates such State needs and will be able to use for such year; and the total of such reductions shall be similarly realloted among the States whose proportionate amounts were not so reduced. Any amounts reallotted to a State under this subsection during a year from funds appropriated pursuant to section 201 shall be deemed part of its allotment under section (a) for such year.

(20 U.S.C. 822) Enacted April 11, 1965, P.L. 89–10, Title II, sec. 202, 79 Stat. 36; amended Nov. 3, 1966, P.L. 89–750, Title I, sec. 122, 80 Stat. 1199; amended Jan. 2, 1968, P.L. 90–247, Title I, sec. 121, 81 Stat. 788; amended April 13, 1970, P.L. 91–230, Title I, sec. 121(b), 84 Stat. 130.

STATE PLANS

SEC. 203 (a) Any State which desires to receive grants under this title shall submit to the Commissioner a State plan, in such detail as the Commissioner deems necessary, which—

(1) designates a State agency which shall, either directly or through arrangements with other State or local public agencies, act as the sole agency for administration of the State plan;

(2) sets forth a program under which funds paid to the State from its allotment under section 202 will be expended solely for (A) acquisition of library resources (which for the purposes of this title means books, periodicals, documents, audio-visual materials, and other related library materials), textbooks, and other printed and published instructional materials for the use of children and teachers in public and private elementary and secondary schools in the State, and (B) administration of the State plan, including (i) the development and revision of standards relating to library resources, textbooks, and other printed and published instructional materials furnished for the use of children and teachers in the public elementary and secondary schools of the State, and (ii) the distribution and control by a local educational agency of such library resources, textbooks, and other instructional materials in carrying out such State plan for the use of children and teachers in schools referred to in clause (A), except that the amount used for administration of the State plan for any fiscal year shall not exceed an amount equal to 5 per centum of the amount paid to the State under this title for that year or $50,000, whichever is greater;

(3) sets forth the criteria to be used in allocating library resources, textbooks, and other printed and published instructional materials provided under this title among the children and teachers of the State, which criteria shall—

(A) take into consideration the relative need, as determined from time to time, of the children and teachers of the State for such library resources, textbooks, or other instructional materials,

(B) provide assurance that to the extent consistent with law such library resources, textbooks, and other instructional materials will be provided on an equitable basis for the use of children and teachers in private elementary and secondary schools in the State which comply with the compulsory attendance laws of the State or are otherwise recognized by it through some procedure customarily used in the State, and

(C) provide assurance that, in order to secure the effective and efficient use of Federal funds, there will be appropriate coordination at both State and local levels between the program carried out under this title with respect to library resources and the program (if any) carried out under the Library Services and Construction Act (20 U.S.C. ch. 16);

(4) sets forth the criteria to be used in selecting the library resources, textbooks, and other instructional materials to be provided under this title and for determining the proportions of the State's allotment for each fiscal year which will be expended for library resources, textbooks, and other printed and published instructional materials, respectively, and the terms by which such library resources, textbooks, and other instructional materials will be made available for the use of children and teachers in the schools of the State;

(5) sets forth policies and procedures designed to assure that Federal funds made available under this title for any fiscal year will be so used as to supplement and, to the extent practical, increase the level of State, local, and private school funds that would in the absence of such Federal funds be made available for library resources, textbooks, and other printed and published instructional materials, and in no case supplant such State, local, and private school funds;

(6) sets forth such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the State (including any such funds paid by the State to any other public agency) under this title; and

(7) provides for making such reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this title, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(b) The Commissioner shall approve any State plan and any modification thereof which complies with the provisions of subsection (a).

(20 U.S.C. 823) Enacted April 11, 1965, P.L. 89-10, Title II, sec. 203, 79 Stat. 37; amended Nov. 3, 1966, P.L. 89-750, Title I, sec. 123, 80 Stat. 1200.

PAYMENTS TO STATES

SEC. 204. (a) From the amounts allotted to each State under section 202 the Commissioner shall pay to that State an amount equal to the amount expended by the State in carrying out its State plan. Such payments may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

(b) In any State which has a State plan approved under section 203(b) and in which no State agency is authorized by law to provide library resources, textbooks, or other printed and published instructional materials for the use of children and teachers in any one or more elementary or secondary school in such State, the Commissioner shall arrange for the provision on an equitable basis of such library resources, textbooks, or other instructional materials for such use and shall pay the cost thereof for any fiscal year ending prior to July 1, 1973, out of that State's allotment.

(20 U.S.C. 824) Enacted April 11, 1965, P.L. 89–10, Title II, sec. 204, 79 Stat. 38; amended April 13, 1970, P.L. 91–230, Title I, sec. 121(c),84, Stat. 130.

PUBLIC CONTROL OF LIBRARY RESOURCES, TEXTBOOKS, AND OTHER INSTRUCTIONAL MATERIAL AND TYPES WHICH MAY BE MADE AVAILABLE

SEC. 205. (a) Title to library resources, textbooks, and other printed and published instructional materials furnished pursuant to this title, and control and administration of their use, shall vest only in a public agency.

(b) The library resources, textbooks, and other printed and published instructional materials made available pursuant to this title for use of children and teachers in any school in any State shall be limited to those which have been approved by an appropriate State or local educational authority or agency for use, or are used, in a public elementary or secondary school of that State.

(20 U.S.C. 825) Enacted April 11, 1965, P.L. 89–10, Title II, sec. 205, 79 Stat. 38.

ADMINISTRATION OF STATE PLANS

SEC. 206. (a) The Commissioner shall not finally disapprove any State plan submitted under this title, or any modification thereof, without first affording the State agency administering the plan reasonable notice and opportunity for a hearing.

(b) Whenever the Commissioner, after reasonable notice and opportunity for hearing to such State agency, finds—

(1) that the State plan has been so changed that it no longer complies with the provisions of section 203(a), or

(2) that in the administration of the plan there is a failure to comply substantially with any such provisions,

the Commissioner shall notify such State agency that the State will not be regarded as eligible to participate in the program under this title until he is satisfied that there is no longer any such failure to comply.

(20 U.S.C. 826) Enacted April 11, 1965, P.L. 89–10, Title II, sec. 206, 79 Stat. 39.

JUDICIAL REVIEW

SEC. 207. (a) If any State is dissatisfied with the Commissioner's final action with respect to the approval of its State plan submitted under section 203(a) or with his final action under section 206(b), such State may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

(b) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(c) The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(20 U.S.C. 827) Enacted April 11, 1965, P.L. 89–10, Title II, sec. 207, 79 Stat. 39.

TITLE III—SUPPLEMENTARY EDUCATIONAL CENTERS AND SERVICES; GUIDANCE, COUNSELING, AND TESTING

APPROPRIATIONS AUTHORIZED

SEC. 301. (a) The Commissioner shall carry out a program for making grants for supplementary educational centers and services, to stimulate and assist in the provision of vitally needed educational services not available in sufficient quantity or quality, and to stimulate and assist in the development and establishment of exemplary elementary and secondary school educational programs to serve as models for regular school programs, and to assist the States in establishing and maintaining programs of testing and guidance and counseling.

(b) For the purpose of making grants under this title, there is hereby authorized to be appropriated the sum of $550,000,000 for the fiscal year ending June 30, 1971, $575,000,000 for the fiscal year ending June 30, 1972, and $605,000,000 for the fiscal year ending June 30, 1973.[1] In addition, there are hereby authorized to be appropriated for the fiscal year ending June 30, 1971, and each of the succeeding fiscal years, such sums as may be necessary for the administration of State plans, the activities of advisory councils, and the evaluation and dissemination activities required under this title.

(20 U.S.C. 841) Enacted April 11, 1965, P.L. 89–10, Title III, sec. 301, 79 Stat. 39; amended Nov. 3, 1966, P.L. 89–750, Title I, sec. 131, 80 Stat. 1201; amended Jan. 2, 1968, P.L. 90–247, Title I, sec. 131, 81 Stat. 788; amended April 13, 1970, P.L. 91–230, Title I, sec. 131(a) (1), 84 Stat. 130.

ALLOTMENT AMONG STATES

SEC. 302. (a)(1) There is hereby authorized to be appropriated for each fiscal year for the purposes of this paragraph an amount equal to not more than 3 per centum of the amount appropriated for such year for grants under this title. The Commissioner shall allot the amount appropriated pursuant to this paragraph among Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs for assistance under this title. In addition for each fiscal year ending prior to July 1, 1972, he shall allot from such amount to (A) the Secretary of the Interior the amount necessary to provide programs and projects for the purpose of this title for individuals on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior, and (B) the Secretary of Defense the amount necessary for such assistance for children and teachers in the overseas dependents schools of the Department of Defense. The terms upon which payments for such purpose shall be made to the Secretary of the Interior and the Secretary of Defense shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this title.

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[1] Sec. 131(c) of P.L. 91–230 reads as follows:

(c) Any appropriation for the purposes of title V of the National Defense Education Act of 1958 for any fiscal year ending after June 30, 1970, shall be deemed to have been appropriated pursuant to section 301 of the Elementary and Secondary Education Act of 1965.

(2) From the sums appropriated for making grants under this title for any fiscal year pursuant to section 301(b), the Commissioner shall allot $200,000 to each State and shall allot the remainder of such sums among the States as follows:

(A) He shall allot to each State an amount which bears the same ratio to 50 per centum of such remainder as the number of children aged five to seventeen, inclusive, in the State bears to the number of such children in all the States, and

(B) He shall allot to each State an amount which bears the same ratio to 50 per centum of such remainder as the population of the State bears to the population of all the States.

For the purposes of this subsection, the term "State" does not include the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) The number of children aged five to seventeen, inclusive, and the total population of a State and of all the States shall be determined by the Commissioner on the basis of the most recent satisfactory data available to him.

(c) The amount allotted to any State under subsection (a) for any fiscal year, which the Commissioner determines will not be required for the period for which that amount is available, shall be available for grants pursuant to section 306 in such State, and if not so needed may be reallotted or used for grants pursuant to section 306 in other States. Funds available for reallotment may be reallotted from time to time, on such dates during that period as the Commissioner may fix, among other States in proportion to the amounts originally allotted among those States under subsection (a) for that year, but with the proportionate amount for any of the other States being reduced to the extent it exceeds the sum the Commissioner estimates that State needs and will be able to use for that period; and the total of these reductions may be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount reallotted to a State under this subsection from funds appropriated pursuant to section 301 for any fiscal year shall be deemed to be a part of the amount allotted to it under subsection (a) for that year.

(d) The amounts made available under the first sentence of subsection (c) for any fiscal year shall remain available for grants during the next succeeding fiscal year.

(20 U.S.C. 842) Enacted April 11, 1965, P.L. 89-10, Title III, sec. 302, 79 Stat. 40; amended Nov. 3, 1966, P.L. 89-750, Title I, sec. 132, 80 Stat. 1201; amended Jan. 2, 1968, P.L. 90-247, Title I, sec. 131, 81 Stat. 789; amended April 13, 1970, P.L. 91-230, Title I, sec. 131(a) (1), 84 Stat. 131.

USES OF FEDERAL FUNDS

SEC. 303. (a) It is the purpose of this title to combine within a single authorization, subject to the modifications imposed by the provisions and requirements of this title, the programs formerly authorized by this title and title V–A of the National Defense Education Act of 1958, and except as expressly modified by this title, Federal funds may be used for the same purposes and the funding of the same types of programs previously authorized by those titles.

(b) Funds appropriated pursuant to section 301 shall be available only for grants in accordance with applications approved pursuant to this title for—

(1) planning for and taking other steps leading to the development of programs or projects designed to provide supplementary educational activities and services described in paragraphs (2) and (3), including pilot projects designed to test the effectiveness of plans so developed;

(2) the establishment or expansion of exemplary and innovative educational programs (including dual-enrollment programs and the lease or construction of necessary facilities) for the purpose of stimulating the adoption of new educational programs (including those described in section 503(4) and special programs for handicapped children) in the schools of the State; and

(3) the establishment, maintenance, operation, and expansion of programs or projects, including the lease or construction of necessary facilities and the acquisition of necessary equipment, designed to enrich the programs of local elementary and secondary schools and to offer a diverse range of educational experience to persons of varying talents and needs by providing, especially through new and improved approaches, supplementary educational services and activities, such as—

(A) remedial instruction, and school health, physical education, recreation, psychological, social work, and other services designed to enable and encourage persons to enter, remain in, or reenter educational programs, including the provision of special educational programs and study areas during periods when schools are not regularly in session;

(B) comprehensive academic services and, where appropriate, vocational guidance and counseling, for continuing adult education;

(C) specialized instruction and equipment for students interested in studying advanced scientific subjects, foreign languages, and other academic subjects which are not taught in the local schools or which can be provided more effectively on a centralized basis, or for persons who are handicapped or of preschool age;

(D) making available modern educational equipment and specially qualified personnel, including artists and musicians, on a temporary basis for the benefit of children in public and other nonprofit schools, organizations, and institutions;

(E) developing, producing, and transmitting radio and television programs for classroom and other educational use;

(F) in the case of any local educational agency which is making a reasonable tax effort but which is nevertheless unable to meet critical educational needs (including preschool education), because some or all of its schools are seriously overcrowded, obsolete, or unsafe, initiating and carrying out programs or projects designed to meet those needs, particularly those which will result in more effective use of existing facilities;

(G) providing special educational and related services for persons who are in or from rural areas or who are or have been otherwise isolated from normal educational opportunities, including, where appropriate, the provision of mobile educational services and equipment, special home study courses, radio, television, and related forms of instruction, bilingual education methods and visiting teachers' programs;

(H) encouraging community involvement in educational programs;

(I) providing programs for gifted and talented children; and

(J) other specially designed educational programs or projects which meet the purposes of this title; and

(4) programs for testing students in the public and private elementary and secondary schools and in junior colleges and technical institutes in the State, and programs designed to improve guidance and counseling services at the appropriate levels in such schools.

(c) In addition to the uses specified in subsection (b), funds appropriated for carrying out this title may be used for—

(1) proper and efficient administration of State plans;

(2) obtaining technical, professional, and clerical assistance and the services of experts and consultants to assist the advisory councils authorized by this title in carrying out their responsibilities; and

(3) evaluation of plans, programs, and projects, and dissemination of the results thereof.

(20 U.S.C. 843) Enacted April 11, 1965, P.L. 89-10, Title III, sec. 303, 79 Stat. 40; amended Nov. 3, 1966, P.L. 89-750, Title I, sec. 152(b), 80 Stat. 1203, amended Jan. 2, 1968, P.L. 90-247, Title I, sec. 131, 81 Stat. 790; amended April 13, 1970, Title I, P.L. 91-230, sec. 131(a)(1), 84 Stat. 132.

APPLICATION FOR GRANTS; CONDITIONS FOR APPROVAL

SEC. 304. (a) A grant under this title pursuant to an approved State plan or by the Commissioner for a supplementary educational center or service program or project may be made only to a local educational agency or agencies, and then only if there is satisfactory assurance that, in the planning of that program or project there has been, and in the establishment and carrying out thereof there will be, participation of persons broadly representative of the cultural and educational resources of the area to be served. The term "cultural and educational resources" includes State educational agencies, institutions of higher education, nonprofit private schools, public and nonprofit private agencies such as libraries, museums, musical and artistic organizations, educational radio and television, and other cultural and educational resources. Such grants may be made only upon application to the appropriate State educational agency or to the

Commissioner, as the case may be, at such time or times, in such manner, and containing or accompanied by such information as the Commissioner deems necessary. Such application shall—

(1) provide that the activities and services for which assistance under this title is sought will be administered by or under the supervision of the applicant;

(2) set forth a program for carrying out the purposes set forth in section 303(b) and provide for such methods of administration as are necessary for the proper and efficient operation of the programs;

(3) set forth policies and procedures which assure that Federal funds made available under this title for any fiscal year will be so used as to supplement and, to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be made available by the applicant for the purposes described in section 303(b), and in no case supplant such funds;

(4) provide, in the case of an application for assistance under this title which includes a project for the construction of necessary facilities, satisfactory assurance that—

(A) reasonable provision has been made, consistent with the other uses to be made of the facilities, for areas in such facilities which are adaptable for artistic and cultural activities,

(B) upon completion of the construction, title to the facilities will be in a State or local educational agency, and

(C) in developing plans for such facilities (i) due consideration will be given to excellence of architecture and design and to the inclusion of works of art (not representing more than 1 per centum of the cost of the project), and (ii) there will be compliance with such standards as the Secretary may prescribe or approve in order to insure that, to the extent appropriate in view of the uses to be made of the facilities, such facilities are accessible to and usable by handicapped persons;

(5) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this title; and

(6) provide for making an annual report and such other reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this title and to determine the extent to which funds provided under this title have been effective in improving the educational opportunities of persons in the area served, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(b) An application by a local educational agency for a grant under this title may be approved only if it is consistent with the applicable provisions of this title and—

(1) meets the requirements set forth in subsection (a);

(2) provides that the program or project for which application is made—

(A) will utilize the best available talents and resources and will substantially increase the educational opportunities in the area to be served by the applicant, and

(B) to the extent consistent with the number of children enrolled in nonprofit private schools in the area to be served whose educational needs are of the type provided by the program or project, makes provision for the participation of such children; and

(3) has been reviewed by a panel of experts.

(c) Amendments of applications shall, except as the Commissioner may otherwise provide by or pursuant to regulations, be subject to approval in the same manner as original applications.

(20 U.S.C. 844) Enacted April 11, 1965, P.L. 89–10, Title III, sec. 304, 79 Stat. 41; amended Nov. 3, 1966, P.L. 89–750, Title I, secs. 133, 134, 80 Stat. 1201, 1202; amended Jan. 2, 1968, P.L. 90–247, Title I, sec. 131, 81 Stat. 791; amended April 13, 1970, P.L. 91–230, Title I, sec. 131(a) (1), 84 Stat. 133.

STATE PLANS

SEC. 305. (a)(1) Any State desiring to receive payments for any fiscal year to carry out a State plan under this title shall (A) establish within its State educational agency a State advisory council (hereinafter referred to as the State advisory council) which meets the requirements of this subsection, (B) set dates before which local educational agencies must have submitted applications for grants to the State educational agency, and (C) submit to the Commissioner, through its State educational agency, a State plan at such time and in such detail as the Commissioner may deem necessary. The Commissioner may, by regulation, set uniform dates for the submission of State plans and applications.

(2) The State advisory council, established pursuant to paragraph (1) shall—

(A) be appointed by the State educational agency, and be broadly representative of the cultural and educational resources of the State (as defined in section 304(a)) and of the public, including persons representative of—

(i) elementary and secondary schools,

(ii) institutions of higher education, and

(iii) areas of professional competence in dealing with children needing special education because of physical or mental handicaps;

(B) advise the State educational agency on the preparation of, and policy matters arising in the administration of, the State plan, including the development of criteria for approval of applications under such State plan;

(C) review, and make recommendations to the State educational agency on the action to be taken with respect to, each application for a grant under the State plan;

(D) evaluate programs and projects assisted under this title; and

(E) prepare and submit through the State educational agency a report of its activities, recommendations, and evaluations, together with such additional comments as the State educational agency deems appropriate, to the Commissioner and to the

National Advisory Council, established pursuant to this title, at such times, in such form, and in such detail, as the Secretary may prescribe.

(3) Not less than ninety days prior to the beginning of any fiscal year in which a State desires to receive a grant under this title, such State shall certify the establishment of, and membership of, its State advisory council to the Commissioner.

(4) Each State advisory council shall meet within thirty days after certification has been accepted by the Commissioner and select from its membership a chairman. The time, place, and manner of meeting shall be as provided by such council, except that such council shall have not less than one public meeting each year at which the public is given opportunity to express views concerning the administration and operation of this title.

(5) State advisory councils shall be authorized to obtain the services of such professional, technical, and clerical personnel as may be necessary to enable them to carry out their functions under this title and to contract for such services as may be necessary to enable them to carry out their evaluation functions.

(b) The Commissioner shall approve a State plan, or modification thereof, if he determines that the plan submitted for that fiscal year—

(1)(A) except in the case of funds available for the purpose described in paragraph (4) of section 303(b),[1] sets forth a program (including educational needs, and their basis, and the manner in which the funds paid to the State under this title shall be used in meeting such educational needs) under which funds paid to the State under section 307(a) will be expended solely for the improvement of education in the State through grants to local educational agencies for programs or projects in accordance with sections 303 and 304: *Provided*, That, in the case of a State educational agency that also is a local educational agency, its approval of a program or project to be carried out by it in the latter capacity shall, for the purposes of this title, be deemed an award of a grant by it upon application of a local educational agency if the State plan contains, in addition to the provisions otherwise required by this section, provisions and assurances (applicable to such programs or project) that are fully equivalent to those otherwise required of a local educational agency;

(B) in the case of funds available for the purpose described in paragraph (4) of section 303(b), sets forth—

(i) a program for testing students in the public elementary and secondary schools of such State or in the public junior colleges and technical institutes of such State, and, if authorized by law, in other elementary and secondary schools and in other junior colleges and technical institutes in such State, to identify students with outstanding aptitudes and ability, and the means of testing which will be utilized in carrying out such program; and

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[1] Sec. 131(b) of Public Law 91-230 provides as follows:

(b) In the case of any fiscal year ending prior to July 1, 1973, each State submitting a State plan under title III of the Elementary and Secondary Education Act of 1965 shall assure the Commissioner of Education that it will expend for the purpose described in paragraph (4) of section 303(b) of such title III an amount at least equal to 50 per centum of the amount expended by that State for the purposes of title V-A of the National Defense Education Act of 1958 from funds appropriated pursuant to such title V-A for the fiscal year ending June 30, 1970.

(ii) a program of guidance and counseling at the appropriate levels in the public elementary and secondary schools or public junior colleges and technical institutes of such State, (A) to advise students of courses of study best suited to their ability, aptitudes and skills, (B) to advise students in their decisions as to the type of educational program they should pursue, the vocation they train for and enter, and the job opportunities in the various fields, and (C) to encourage students with outstanding aptitudes and ability to complete their secondary school education, take the necessary courses for admission to institutions of higher education, and enter such institutions and such programs may include, at the discretion of such State agency, short-term sessions for persons engaged in guidance and counseling in elementary and secondary schools, junior colleges, and technical institutes in such State;

(2) sets forth the administrative organization and procedures, including the qualifications for personnel having responsibilities in the administration of the plan in such detail as the Commissioner may prescribe by regulation;

(3) sets forth criteria for achieving an equitable distribution of assistance under this title, which criteria shall be based on consideration of (A) the size and population of the State, (B) the geographic distribution and density of the population within the State, and (C) the relative need of persons in different geographic areas and in different population groups within the State for the kinds of services and activities described in section 303, and the financial ability of the local educational agencies serving such persons to provide such services and activities;

(4) provides for giving special consideration to the application of any local educational agency which is making a reasonable tax effort but which is nevertheless unable to meet critical educational needs, including preschool education for four- and five-year-olds and including where appropriate bilingual education, because some or all of its schools are seriously overcrowded (as a result of growth or shifts in enrollment or otherwise), obsolete, or unsafe;

(5) provides that, in approving applications for grants for programs or projects, applications proposing to carry out programs or projects planned under this title will receive special consideration;

(6) provides for adoption of effective procedures (A) for the evaluation, at least annually, of the effectiveness of the programs and projects, by the State advisory council, supported under the State plan in meeting the purposes of this title, (B) for appropriate dissemination of the results of such evaluations and other information pertaining to such programs or projects, and (C) for adopting, where appropriate, promising educational practices developed through such programs or projects;

(7) provides that not less than 50 per centum of the amount which such State receives to carry out the plan in such fiscal year shall be used for purposes of paragraphs (1) and (2) of section 303(b);

(8) provides that not less than 15 per centum of the amount which such State receives to carry out the plan in such fiscal year shall be used for special programs or projects for the education of handicapped children;

(9) sets forth policies and procedures which give satisfactory assurance that Federal funds made available under this title for any fiscal year (A) will not be commingled with State funds, and (B) will be so used as to supplement and, to the extent practical, increase the fiscal effort (determined in accordance with criteria prescribed by the Commissioner, by regulation) that would, in the absence of such Federal funds, be made by the applicant for educational purposes;

(10) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the State under this title;

(11) provides for making an annual report and such other reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this title and to determine the extent to which funds provided under this title have been effective in improving the educational opportunities of persons in the areas served by the programs or projects supported under the State plan and in the State as a whole, including reports of evaluations made in accordance with objective measurements under the State plan pursuant to paragraph (6), and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports;

(12) provides that final action with respect to any application (or amendment thereof) regarding the proposed final disposition thereof shall not be taken without first affording the local educational agency or agencies submitting such application reasonable notice and opportunity for a hearing; and

(13) contains satisfactory assurance that, in determining the eligibility of any local educational agency for State aid or the amount of such aid, grants to that agency under this title shall not be taken into consideration.

(c) The Commissioner may, if he finds that a State plan for any fiscal year ending prior to July 1, 1973, is in substantial compliance with the requirements set forth in subsection (b), approve that part of the plan which is in compliance with such requirements and make available (pursuant to section 307) to that State that part of the State's allotment which he determines to be necessary to carry out that part of the plan so approved. The remainder of the amount which such State is eligible to receive under this section may be made available to such State only if the unapproved portion of that State plan has been so modified as to bring the plan into compliance with such requirements: *Provided*, That the amount made available to a State pursuant to this subsection shall not be less than 50 per centum of the maximum amount which the State is eligible to receive under this section.

(d) A State which has had a State plan approved for any fiscal year may receive for the purpose of carrying out such plan, an amount not in excess of 85 per centum of its allotment pursuant to section 302.

(e)(1) The Commissioner shall not finally disapprove any plan submitted under subsection (a), or any modification thereof, without first affording the State educational agency submitting the plan reasonable notice and opportunity for a hearing.

(2) Whenever the Commissioner, after reasonable notice and opportunity for hearings to any State educational agency, finds that there has been a failure to comply substantially with any requirement set forth in the plan of that State approved under section 305 or with any requirement set forth in the application of a local educational agency approved pursuant to section 304, the Commissioner shall notify the agency that further payments will not be made to the State under this title (or, in his discretion, that the State educational agency shall not make further payments under this title to specified local educational agencies affected by the failure) until he is satisfied that there is no longer any such failure to comply. Until he is so satisfied, no further payments shall be made to the State under this title, or payments by the State educational agency under this title shall be limited to local educational agencies not affected by the failure, as the case may be.

(3)(A) If any State is dissatisfied with the Commissioner's final action with respect to the approval of a plan submitted under subsection (a) or with his final action under paragraph (2), such State may, within 60 days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action as provided in section 2112 of title 28, United States Code.

(B) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings.

(C) The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(f)(1) If any local educational agency is dissatisfied with the final action of the State educational agency with respect to approval of an application of such local agency for a grant pursuant to this title, such local agency may, within sixty days after such final action or notice thereof, whichever is later, file with the United States court of appeals for the circuit in which the State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the State educational agency. The State educational agency thereupon shall file in the court the record of the proceedings on which the State educational agency based its action as provided in section 2112 of title 28, United States Code.

(2) The findings of fact by the State educational agency, if supported by substantial evidence shall be conclusive; but the court, for

good cause shown, may remand the case to the State educational agency to take further evidence, and the State educational agency may thereupon make new or modified findings of fact and may modify its previous action, and shall certify to the court the record of the further proceedings.

(3) The court shall have jurisdiction to affirm the action of the State educational agency or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(20 U.S.C. 844a) Enacted Jan. 2, 1968, P.L. 90-247, Title I, sec. 131, 81 Stat. 792; amended April 13, 1970, P.L. 91-230, Title I, sec. 131(a)(1) 84 Stat. 135.

SPECIAL PROGRAMS AND PROJECTS

SEC. 306. (a) From the amount allotted to any State pursuant to section 302 which is not available to that State under a State plan approved pursuant to section 305, the Commissioner is authorized, subject to the provisions of section 304, to make grants to local educational agencies in such State for programs or projects which meet the purposes of section 303 and which, in the case of a local educational agency in a State which has a State plan approved, hold promise of making a substantial contribution to the solution of critical educational problems common to all or several States. The Commissioner may not approve an application under this section unless the application has been submitted to the appropriate State educational agency for comment and recommendation with respect to the action to be taken by the Commissioner regarding the disposition of the application.

(b) Not less than 15 per centum of the funds granted pursuant to this section in any fiscal year shall be used for programs or projects designed to meet the special educational needs of handicapped children.

(20 U.S.C. 844b) Enacted Jan. 2, 1968, P.L. 90-247, Title I, sec. 131, 81 Stat. 796; amended April 13, 1970, P.L. 91-230, Title I, sec. 131(a)(1), 84 Stat. 139.

PAYMENTS

SEC. 307. (a) From the allotment to each State pursuant to section 302, for any fiscal year, the Commissioner shall pay to each State, which has had a plan approved pursuant to section 305 for that fiscal year, the amount necessary to carry out its State plan as approved.

(b) The Commissioner is authorized to pay to each State amounts necessary for the activities described in section 303(c), during any fiscal year, except that (1) the total of such payments shall not be in excess of an amount equal to 7½ per centum of its allotment for that fiscal year or, $150,000 ($50,000 in the case of the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands), whichever is greater, and (2) in such payment, the amount paid for the administration of the State plan for any fiscal year shall not exceed an amount equal to 5 per centum of its allotment for that fiscal year or $100,000 ($35,000 in the case of the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands), whichever is greater.

(c) The Commissioner shall pay to each applicant which has an application approved pursuant to section 306 the amount necessary to carry out the program or project pursuant to such application.

(d) Payments under this section may be made in installments and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

(e) No payments shall be made under this title to any local educational agency or to any State unless the Commissioner finds, in the case of a local educational agency, that the combined fiscal effort of that agency and the State with respect to the provision of free public education by that agency for the preceding fiscal year was not less than such combined fiscal effort for that purpose for the second preceding fiscal year or, in the case of a State, that the fiscal effort of that State for State aid (as defined by regulation) with respect to the provision of free public education in that State for the preceding fiscal year was not less than such fiscal effort for State aid for the second preceding fiscal year.

(f)(1) In any State which has a State plan approved under section 305(c) and in which no State agency is authorized by law to provide, or in which there is a substantial failure to provide, for effective participation on an equitable basis in programs authorized by this title by children enrolled in any one or more private elementary or secondary schools of such State in the area or areas served by such programs, the Commissioner shall arrange for the provision, on an equitable basis, of such programs and shall pay the costs thereof for any fiscal year out of that State's allotment. The Commissioner may arrange for such programs through contracts with institutions of higher education, or other competent nonprofit institutions or organizations.

(2) In determining the amount to be withheld from any State's allotment for the provision of such programs, the Commissioner shall take into account the number of children and teachers in the area or areas served by such programs who are excluded from participation therein and who, except for such exclusion, might reasonably have been expected to participate.

(20 U.S.C. 845) Enacted April 11, 1965, P.L. 89-10, Title III, sec. 307, formerly sec. 305, 79 Stat. 43; redesignated and amended Jan. 2, 1968, P.L. 90-247, Title I, sec. 131, 81 Stat. 796; amended April 13, 1970, P.L. 91-230, Title I, sec. 131(a)(1), 84 Stat. 139.

RECOVERY OF PAYMENTS

Sec. 308. If within twenty years after completion of any construction for which Federal funds have been paid under this title—

(a) the owner of the facility shall cease to be a State or local educational agency, or

(b) the facility shall cease to be used for the educational and related purposes for which it was constructed, unless the Commissioner determines in accordance with regulations that there is good cause for releasing the applicant or other owner from the obligation to do so,

the United States shall be entitled to recover from the applicant or other owner of the facility an amount which bears to the then value of the facility (or so much thereof as constituted an approved project or projects) the same ratio as the amount of such Federal funds bore to the cost of the facility financed with the aid of such funds. Such value shall be determined by agreement of the parties or by action brought in the United States district court for the district in which the facility is situated.

(20 U.S.C. 847) Enacted April 11, 1965, P.L. 89-10, Title III, sec. 308, formerly sec. 307, 79 Stat. 44; redesignated Jan. 2, 1968, P.L. 90-247, Title I, sec. 131, 81 Stat. 797; amended April 13, 1970, P.L. 91-230, Title I, sec. 131(a)(1), 84 Stat. 140.

NATIONAL ADVISORY COUNCIL

SEC. 309. (a) The President shall appoint a National Advisory Council on Supplementary Centers and Services which shall—

(1) review the administration of, general regulations for, and operation of this title, including its effectiveness in meeting the purposes set forth in section 303;

(2) review, evaluate, and transmit to the Congress and the President the reports submitted pursuant to section 305(a)(2)(E);

(3) evaluate programs and projects carried out under this title and disseminate the results thereof; and

(4) make recommendations for the improvement of this title, and its administration and operation.

(b) The Council shall be appointed by the President without regard to the civil service laws and shall consist of twelve members, a majority of whom shall be broadly representative of the educational and cultural resources of the United States including at least one person who has professional competence in the area of education of handicapped children. Such members shall be appointed for terms of 3 years except that (1) in the case of the initial members, four shall be appointed for terms of 1 year each and four shall be appointed for terms of 2 years each, and (2) appointments to fill the unexpired portion of any terms shall be for such portion only. When requested by the President, the Secretary of Health, Education, and Welfare shall engage such technical and professional assistance as may be required to carry out the functions of the Council, and shall make available to the Council such secretarial, clerical and other assistance and such pertinent data prepared by the Department of Health, Education, and Welfare as it may require to carry out its functions.

(c) The Council shall make an annual report of its findings and recommendations (including recommendations for changes in the provisions of this title) to the President and the Congress not later than January 20 of each year. The President is requested to transmit to the Congress such comments and recommendations as he may have with respect to such report.

(20 U.S.C. 847a) Enacted Jan. 2, 1968, P.L. 90-247, Title I, sec. 131, 81 Stat. 797; amended April 13, 1970, P.L. 91-230, Title I, sec. 131(a)(1), 84 Stat. 140.

TITLE IV—EDUCATIONAL RESEARCH AND TRAINING

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(Note.—Title IV is an amendment to the Cooperative Research Act.)

TITLE V—STRENGTHENING STATE AND LOCAL EDUCATIONAL AGENCIES

PART A—GRANTS TO STRENGTHEN STATE DEPARTMENTS OF EDUCATION

APPROPRIATIONS AUTHORIZED

SECTION 501. (a) The Commissioner shall carry out a program for making grants to stimulate and assist States in strengthening the leadership resources of their State educational agencies, and to assist those agencies in the establishment and improvement of programs to identify and meet the educational needs of States.

(b) For the purpose of making grants under this part, there is hereby authorized to be appropriated the sum of $25,000,000 for the fiscal year ending June 30, 1966, $30,000,000 for the fiscal year ending June 30, 1967, $65,000,000 for the fiscal year ending June 30, 1968, $80,000,000 each for the fiscal years ending June 30, 1969, June 30, 1970, and June 30, 1971, $85,000,000, for the fiscal year ending June 30, 1972, and $90,000,000 for the fiscal year ending June 30, 1973.

(20 U.S.C. 861) Enacted April 11, 1965, P.L. 89-10, Title V, Sec. 501, 79 Stat. 47; amended Nov. 3, 1966, P.L. 89-750, Title I, Sec. 141, 80 Stat. 1203; amended Jan. 2, 1968, P.L. 90-247, Title I, Sec. 141, 81 Stat. 799; amended April 13, 1970, P.L. 91-230, Title I, Sec. 141, 143(a)(4)(B), 84 Stat. 141, 142.

SEC. 502. (a)(1) From 95 per centum of the sums appropriated for carrying out this part for each fiscal year, the Commissioner shall reserve such amount, but not in excess of 2 per centum of such 95 per centum of such sums, as he may determine and shall apportion such amount among the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs for assistance under this part. The remainder of such per centum of such sums shall be apportioned by the Commissioner as follows:

(A) He shall apportion 40 per centum of such remainder among the States in equal amounts.

(B) He shall apportion to each State an amount that bears the same ratio to 60 per centum of such remainder as the number of public school pupils in the State bears to the number of public school pupils in all the States, as determined by the Commissioner on the basis of the most recent satisfactory data available to him.

For purposes of this paragraph, the term "State" does not include the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(2) Five per centum of the sums appropriated pursuant to section 501 for each fiscal year shall be reserved by the Commissioner for grants for special projects pursuant to section 505.

(b)(1) The amount apportioned to any State under paragraph (1) of subsection (a) for any fiscal year which the Commissioner determines will not be required for that year shall be available for reapportionment from time to time, on such dates during that year as the

Commissioner may fix, to other States in proportion to the amounts originally apportioned among those States under subsection (a)(1) for that year, but with the proportionate amount for any of the other States being reduced to the extent it exceeds the sum the Commissioner estimates that State needs and will be able to use for that year; and the total of these reductions shall be similarly reapportioned among the States whose proportionate amounts were not so reduced. Any amount reapportioned to a State under this subsection from funds appropriated pursuant to section 501 for any fiscal year shall be deemed part of the amount apportioned to it under subsection (a)(1) for that year.

(2) In accordance with regulations of the Commissioner any State may file with him a request that a specified portion of the amount appropriated to it under subsection (a)(1) be added to the amount apportioned to another State under that subsection for the purpose of meeting a portion of the cost of carrying out one or more programs or activities under an approved application of that other State. If the Commissioner finds that the programs or activities with respect to which the request is made would meet needs of the State making the request and that use of the specified portion of the amount apportioned to that State, as requested by it, would assist in carrying out the purpose of this part, that portion shall be added to the amount apportioned to the other State under subsection (a)(1) to be used for the purpose referred to above.

(20 U.S.C. 862) Enacted April 11, 1965, P.L. 89-10, Title V, Sec. 502, 79 Stat. 48; amended Nov. 3, 1966, P.L. 89-750, Title I, Sec. 152(c), 80 Stat. 1203; amended Jan. 2, 1968, P.L. 90-247, Title I, Secs. 142(a), 143, 145, (b)(1), (2) 81 Stat. 799, 800; amended April 13, 1970, P.L. 91-230, Title I, Sec. 143(a)(4)(B), 84 Stat. 142.

GRANTS FROM APPORTIONED FUNDS

SEC. 503. From the amount apportioned to any State for any fiscal year under section 502 the Commissioner may, upon approval of an application or applications therefor submitted to him by such State through the State educational agency, make a grant or grants to such agency equal to the expenditures incurred by such agency for the planning of, and for programs for, the development, improvement, or expansion of activities promoting the purposes set forth in section 501(a) and more particularly described in such application and for which such application is approved, such as—

(1) Educational planning on a statewide basis, including the identification of educational problems, issues, and needs in the State and the evaluation on a periodic or continuing basis of education programs in the State;

(2) Providing support or services for the comprehensive and compatible recording, collecting, processing, analyzing, interpreting, storing, retrieving, and reporting of State and local educational data, including the use of automated data systems;

(3) Dissemination or support for the dissemination of information relating to the condition, progress, and needs of education in the State;

(4) Programs for conducting, sponsoring, or cooperating in educational research and demonstration programs and projects such as (A) establishing and maintaining curriculum research and innovation

centers to assist in locating and evaluating curriculum research findings, (B) discovering and testing new educational ideas (including new uses of printed and audio-visual media) and more effective educational practices, and putting into use those which show promise of success, and (C) studying ways to improve the legal and organizational structure for education and the management and administration of education in the State;

(5) Publication and distribution, or support for the publication and distribution, of curricular materials collected and developed at curriculum research centers and elsewhere;

(6) Programs to improve the quality of teacher preparation, including student-teaching arrangements, in cooperation with institutions of higher education and local educational agencies;

(7) Programs and other activities specifically designed to encourage the full and adequate utilization and acceptance of auxiliary personnel (such as teacher aides) in elementary and secondary schools on a permanent basis;

(8) Studies or support for studies concerning the financing of public education in the State;

(9) support for statewide programs designed to measure the educational achievement of pupils;

(10) training and otherwise developing the competency of individuals who serve State or local educational agencies and provide leadership, administrative, or specialist services throughout the State, or throughout the area served by a local educational agency, through the initiation, improvement, and expansion of activities such as (A) sabbatical leave programs, (B) fellowships and traineeships (including educational expenses and the cost of travel) for State educational agency personnel to pursue graduate studies, and (C) conducting institutes, workshops, and conferences (including related costs of operation and payment of the expenses of participants);

(11) providing local educational agencies and the schools of those agencies with consultative and technical assistance and services relating to academic subjects and to particular aspects of education such as the education of the handicapped, and gifted and talented children, school building design and utilization, school social work, the utilization of modern instructional materials and equipment, transportation, educational administrative procedures, and school health, physical education, and recreation; and

(12) evaluation and demonstration projects to insure that benefits obtained by children in Head Start and other preschool programs are not lost during their early elementary school years, but are instead enhanced so as to provide continuity in and accelerated development of the child's learning, academic and other social achievements.

(20 U.S.C. 863) Enacted April 11, 1965, P.L. 89-10, Title V, Sec. 503, 79 Stat. 49; amended Nov. 3, 1966, P.L. 89-750, Title I, Secs. 152(a), 154, 80 Stat. 1203, 1204; amended Jan. 2, 1968, P.L. 90-247, Title I, secs. 144, 145(a), 81 Stat. 799, 800; amended April 13, 1970, P.L. 91-230, Title I, secs. 142(a), 143(a)(4)(C), 84 Stat. 142.

APPROVAL OF APPLICATIONS FOR GRANTS FROM APPORTIONED FUNDS

SEC. 504. An application for a grant under section 503 may be approved by the Commissioner only upon his determination that—

(a) each of the proposed projects, programs, and activities for which it is approved meets the requirements of section 503 and will make a significant contribution to strengthening the leadership resources of the applicant or its ability to participate effectively in meeting the educational needs of the State;

(b) the application contains or is supported by adequate assurance that Federal funds made available under the approved application will be so used as to supplement, and to the extent practical, increase the amounts of State funds that would in the absence of such Federal funds be made available for projects and activities which meet the requirements of section 503;

(c) the application sets forth such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the State (including any such funds paid by the State to agencies, institutions, or organizations) under this part, and

(d) the application provides for making such reports, in such form and containing such information, as the Commissioner may require to carry out his functions under this part, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(20 U.S.C. 864) Enacted April 11, 1965, P.L. 89-10, Title V, Sec. 504, 79 Stat. 50; amended Nov. 3, 1966, P.L. 89-750, Title I, sec. 152(d), 80 Stat. 1203; amended April 13, 1970, P.L. 91-230, Title I, sec. 143(a)(4)(B), 84 Stat. 142.

SPECIAL PROJECT GRANTS

SEC. 505. Five per centum of the sums appropriated pursuant to section 501 for each fiscal year shall be used by the Commissioner to make grants to State educational agencies to pay part of the cost of experimental projects for developing State leadership or for the establishment of special services which, in the judgment of the Commissioner, hold promise of making a substantial contribution to the solution of problems common to the State educational agencies of all or several States, and for grants to public regional interstate commissions or agencies for educational planning and research.

(20 U.S.C. 865) Enacted April 11, 1965, P.L. 89-10, Title V, sec. 505, 79 Stat. 51; amended Jan. 2, 1968, P.L. 90-247, Title I, secs. 145(b)(3), 146, 81 Stat. 800.

PART B—LOCAL EDUCATIONAL AGENCIES

APPROPRIATIONS AUTHORIZED

SEC. 521. (a) The Commissioner shall carry out a program for making grants to stimulate and assist local educational agencies in strengthening the leadership resources of their districts, and to assist those agencies in the establishment and improvement of programs to identify and meet the educational needs of their districts.

(b) For the purpose of making grants under this part, there is hereby authorized to be appropriated the sum of $10,000,000 for the fiscal year ending June 30, 1970, $20,000,000 for the fiscal year ending June 30, 1971, $30,000,000 for the fiscal year ending June 30, 1972, and $40,000,000 for the fiscal year ending June 30, 1973.

(20 U.S.C. 866) Enacted April 13, 1970, P.L. 91-230, Title I, sec. 143(a)(4)(D), 84 Stat. 142.

APPORTIONMENT AMONG STATES

SEC. 522. (a) From the sums appropriated for carrying out this part for each fiscal year, the Commissioner shall reserve such amount, but not in excess of 2 per centum of such sums, as he may determine and shall apportion such amount among the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs for assistance under this part. The remainder of such sums shall be apportioned by the Commissioner as follows:

(A) He shall apportion 40 per centum of such remainder among the States in equal amounts.

(B) He shall apportion to each State an amount that bears the same ratio to 60 per centum of such remainder as the number of public school pupils in the State bears to the number of public school pupils in all the States, as determined by the Commissioner on the basis of the most recent satisfactory data available to him.

For purposes of this paragraph, the term "State" does not include the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(b) The amount apportioned to any State under subsection (a) for any fiscal year which the Commissioner determines will not be required for that year shall be available for reapportionment from time to time, on such dates during that year as the Commissioner may fix, to other States in proportion to the amounts originally apportioned among those States under subsection (a) for that year, but with the proportionate amount for any of the other States being reduced to the extent it exceeds the sum the Commissioner estimates the local educational agencies of such State need and will be able to use for that year; and the total of these reductions shall be similarly reapportioned among the States whose proportionate amounts were not so reduced. Any amount reapportioned to a State under this subsection from funds appropriated pursuant to section 521 for any fiscal year shall be deemed part of the amount apportioned to it under subsection (a) for that year.

(20 U.S.C. 866a) Enacted April 13, 1970, P.L. 91-230, Title I, sec. 143(a)(4)(D), 84 Stat. 143.

GRANTS FROM APPORTIONED FUNDS

SEC. 523. From the amount apportioned to any State for any fiscal year under section 522 the Commissioner may, upon approval of an application in accordance with section 524 submitted to him by a local educational agency of such State, after approval by the State educational agency in accordance with section 525, make a grant or grants to such local educational agency equal to the expenditures incurred by such agency for the planning of, and for programs for, the development, improvement, or expansion of activities promoting the purposes set forth in section 521(a) and more particularly described in such application and for which such application is approved, such as—

(1) educational planning on a district basis, including the identification of educational problems, issues, and needs in the district and the evaluation on a periodic or continuing basis of educational programs in the district;

(2) providing support or services for the comprehensive and compatible recording, collecting, processing, analyzing, inter-

preting, storing, retrieving, and reporting of educational data including the use of automated data systems;

(3) programs for conducting, sponsoring, or cooperating in educational research and demonstration programs and projects such as (A) establishing and maintaining curriculum research and innovation centers to assist in locating and evaluating curriculum research findings, (B) discovering and testing new educational ideas (including new uses of printed and audiovisual media) and more effective educational practices, and putting into use those which show promise of success, and (C) studying ways to improve the legal and organizational structure for education, and the management and administration of education in the district of such agency;

(4) programs to improve the quality of teacher preparation, including student-teaching arrangements, in cooperation with institutions of higher education and State educational agencies;

(5) programs and other activities specifically designed to encourage the full and adequate utilization and acceptance of auxiliary personnel (such as instructional assistants and teacher aides) in elementary and secondary schools on a permanent basis;

(6) providing such agencies and the schools of such agencies with consultative and technical assistance and services relating to academic subjects and to particular aspects of education such as the education of the handicapped, the gifted and talented, and the disadvantaged, vocational education, school building design and utilization, school social work, the utilization of modern instructional materials and equipment, transportation, educational administrative procedures, and school health, physical education, and recreation;

(7) training programs for the officials of such agencies; and

(8) carrying out any such activities or programs, where appropriate, in cooperation with other local educational agencies.

(20 U.S.C. 866b) Enacted April 13, 1970, P.L. 91-230, Title I, sec. 143(a)(4)(D)' 84 Stat. 143.

APPROVAL OF APPLICATIONS BY THE COMMISSIONER

SEC. 524. (a) An application for a grant under this part for each fiscal year shall set forth a plan under which Federal funds received by the applicant under this part for that fiscal year will be used solely for a program of activities specifically designed to strengthen the leadership resources of the applicant and to establish and improve programs to identify and meet the educational needs of the persons served by the applicant.

(b) The Commissioner may approve an application under this part only if the application for that year—

(1) contains or is supported by adequate assurance that Federal funds made available under the approved application will be so used as to supplement, and to the extent practical, increase the amounts of State and local funds that would in the absence of such Federal funds be made available for projects and activities which meet the requirements of section 523;

(2) sets forth such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid under this part; and

(3) provides for making such reports, in such form and containing such information, as the Commissioner may require to carry out his functions under this part, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(20 U.S.C. 866c) Enacted April 13, 1970, P.L. 91-230, Title I, sec. 143 (a)(4)(D), 84 Stat. 144.

APPROVAL OF APPLICATIONS BY STATE EDUCATIONAL AGENCIES

SEC. 525. In approving applications for the purposes of this part a State educational agency shall—

(1) approve only such applications for proposed projects, programs, or activities as will—

(A) make a significant contribution to strengthening the leadership resources of the applicant or its ability to participate effectively in meeting the educational needs of its district, and

(B) involve an expenditure of at least $2,500, and

(2) provide for an equitable distribution on the basis of need of funds provided pursuant to this part, and, to the extent possible within such a distribution, give priority to exemplary projects, programs, or activities.

(20 U.S.C. 866d) enacted April 13, 1970, P.L. 91-230, Title I, sec. 143(a)(4)(D) 84 Stat. 144.

PART C—COMPREHENSIVE EDUCATIONAL PLANNING AND EVALUATION

AUTHORIZATION

SEC. 531. (a) The Commissioner is authorized to make comprehensive planning and evaluation grants to State and local educational agencies in order to assist and stimulate them to enhance their capability to make effective progress, through comprehensive and continuing planning and evaluation, toward the achievement of opportunities for high-quality education for all segments of the population.

(b) For the purpose of carrying out the provisions of this part, there are hereby authorized to be appropriated $10,000,000 for the fiscal year ending June 30, 1971, $15,000,000 for the fiscal year ending June 30, 1972, and $20,000,000 for the fiscal year ending June 30, 1973.

(c)(1)(A) From the sums appropriated for carrying out this part for each fiscal year, the Commissioner shall reserve such amount, but not in excess of 2 per centum of such per centum, as he may determine and shall apportion such amount among the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs for assistance under this part. The remainder shall be apportioned by the Commissioner as follows:

(i) He shall apportion 40 per centum of such remainder among the States in equal amounts.

(ii) He shall apportion to each State an amount that bears the same ratio to 60 per centum of such remainder as the population of the State bears to the population of all the States, as determined by the Commissioner on the basis of the most recent satisfactory data available to him.

(B) For purposes of this paragraph (1), the term "State" does not include the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(2) The amount apportioned to any State under paragraph (1) of this subsection for any fiscal year which the Commissioner determines will not be required for that year shall be available for reapportionment from time to time, on such dates during that year as the Commissioner may fix, to other States in proportion to the amounts originally apportioned among those States under such paragraph for that year, but with the proportionate amount for any of the other States being reduced to the extent it exceeds the sum the Commissioner estimates the State and local educational agencies of such State need and will be able to use for that year; and the total of these reductions shall be similarly reapportioned among the States whose proportionate amounts were not so reduced. Any amount reapportioned to a State under this paragraph from funds appropriated pursuant to this section for any fiscal year shall be deemed part of the amount apportioned to it under paragraph (1) for that year.

(3) Grants for any fiscal year to a State agency and any local educational agency in such State pursuant to this part shall be made from such State's apportionment for such year pursuant to this subsection.

(20 U.S.C. 867) enacted April 13, 1970, P.L. 91–230, Title I, sec. 143(a)(4)(D), 84, Stat. 145.

COMPREHENSIVE PLANNING AND EVALUATION GRANTS: ELIGIBLE AGENCIES

SEC. 532. (a) Any State desiring to receive a grant under this part for any fiscal year shall designate or establish within its State educational agency a single office or unit (hereafter in this part referred to as the State planning and evaluation agency) as the sole agency for administering a comprehensive program of systematic planning and evaluation of elementary and secondary education in the State. The State planning and evaluation agency shall have the primary responsibility for planning and evaluating the education programs of the State and for the administration of funds received by the State under this part.

(b) Any local educational agency desiring to receive a grant under this part must provide the Commissioner with satisfactory assurance that—

(1) the local educational agency or agencies have a planning and evaluation office or unit which has or will have, as the result of assistance under this part, the capability of carrying out a comprehensive program of systematic planning and evaluation meeting the purposes of this part;

(2) the appropriate State educational agency or agencies have been consulted and have had the opportunity to comment on, and advise the local educational agencies and the Commissioner with regard to, the application; and

(3) the planning and evaluation activities of the local educational agency or agencies will be closely coordinated with such activities of the appropriate State agencies;

and must further provide the Commissioner with satisfactory assurance that—

(4) the local educational agency serves, or, if two or more local

educational agencies are making joint application, those agencies serve, an area with a population sufficient to merit a comprehensive planning and evaluation program in addition to that of the State or of other local educational agencies in the area or region to be served by the applicant; or

(5) the local educational agency or agencies will use the funds for demonstration projects to plan, develop, test, and improve planning and evaluation systems and techniques consistent with, and to further the purposes of, this part.

(c) In making grants pursuant to this section the Commissioner shall give special emphasis on developing coordinated and comprehensive plans for educational planning and evaluation between and among the Office of Education, State educational agencies, and local educational agencies, including projects on an interstate, regional, or metropolitan area basis.

(d) No grant shall be made by the Commissioner to a local educational agency or agencies under this part unless the application for such grant has been submitted to the State educational agency or agencies in the State or States in which it is to be carried out. If, within sixty days of such submission or within such longer period of time as the Commissioner may determine pursuant to regulations, the State agency or agencies disapprove the proposed program or project, the Commissioner shall review the application with the appropriate State and local educational agencies before making a final decision.

(20 U.S.C. 867a) enacted April 13, 1970. P.L. 91-230, Title I, sec. 143(a)(4)(D), 84 Stat. 146.

APPLICATION

SEC. 533. (a) An application for a grant under this part shall be submitted to the Commissioner at such time or times, in such form, and containing such information as he may deem necessary. Such application shall include—

(1) a statement of present and projected educational needs of persons residing in the area to be served;

(2) a description of a program for meeting those needs which includes—

(A) setting long-range areawide goals in meeting educational needs and establishing priorities among such goals,

(B) developing long-range plans for achieving such goals, taking into consideration the resources available and the educational effectiveness of each of the alternatives,

(C) planning new programs and improvements in existing programs based on the results of analyses of alternative means of achieving educational goals,

(D) objectively evaluating at intermediate stages the progress and effectiveness of programs in achieving such goals, and, when appropriate, adjusting goals, plans, and programs to maximize educational effectiveness, and

(E) utilizing available management information, planning, and evaluation systems and techniques;

(3) a plan for developing and strengthening the capabilities of the applicant to improve its planning capacity and to conduct, on a continuous basis, objective evaluations of the effectiveness of education programs and projects;

(4) a plan for utilizing the resources of, and coordinating with, programs affecting education of other Federal, State, and local agencies, organizations, and persons; and

(5) a statement of policies and procedures which have been, or will be, established and implemented for developing and maintaining a permanent system for obtaining and collecting significant information necessary for the assessment of education in the area to be served by the applicant, for consulting with and involving parents of children served by the applicant, and for making full and detailed information concerning the educational planning and evaluation activities and findings of the applicant and other agencies and persons receiving assistance under this part reasonably available to the public.

(b) Applications for grants under this section may be approved by the Commissioner only if he determines that the application—

(1) has been submitted only after interested parents have been given reasonable notice and an opportunity to express their views thereon;

(2) sets forth, in such detail as the Commissioner may determine necessary, such policies and procedures as will provide satisfactory assurance that—

(A) the assistance provided under this section, together with other available resources, will be so used for the purposes of this part as to result in the maximum possible effective progress toward the achievement of a high level of planning and evaluation competence, and

(B) assistance under this part will be used primarily in strengthening the capabilities of the planning and evaluation staff of the agency, office, or unit responsible for the administration of the application plan; and

(3) sets forth such policies and procedures as will insure that Federal funds made available under the application will be so used as to supplement, and to the extent practical, increase the amounts of State or local funds that would, in the absence of Federal funds, be made available for activities meeting the purposes of this title;

(4) in the case of applications from States, makes adequate provision (consistent with such criteria as the Commissioner shall prescribe by regulation) for using funds granted under this section to make program planning and evaluation services available to local educational agencies in the State.

(c) A grant made pursuant to an application under this section may be used to pay not to exceed 75 per centum of the cost of the activities covered by the application.

(20 U.S.C. 867b). Enacted April 13, 1970, P.L. 91-230, Title I, sec. 143(a)(4)(D), 84 Stat. 147.

REPORTS

Sec. 534. Each recipient of a grant shall make an annual report on the activities carried out with the funds from such grant which includes such information as the Commissioner determines will permit an evaluation of the effectiveness of the program authorized by this part in achieving its purposes. Each such recipient shall also make such other reports, in such form and containing such information as the Commissioner may require to carry out his functions under this part.

(20 U.S.C. 867c) Enacted April 13, 1970, P.L. 91-230, Title I, sec. 143 (a)(4)(D), 84 Stat. 148.

PART D—COUNCILS ON QUALITY IN EDUCATION

NATIONAL AND STATE ADVISORY COUNCILS

SEC. 541. (a)(1) There is hereby established a National Council on Quality in Education (hereafter referred to as the "National Council") composed of fifteen members appointed by the President, by and with the advice and consent of the Senate. The membership of the National Council shall include persons who are familiar with the educational needs and goals of the Nation, persons with competence in assessing the progress of the education agencies, institutions, and organizations in meeting those needs and achieving those goals, persons familiar with the administration of State and local educational agencies and of institutions of higher education, and persons representative of the general public. Members shall be appointed for terms of three years, except that (1) in the case of initial members, one-third of the members shall be appointed for terms of one year each and one-third of the members shall be appointed for terms of two years each, and (2) appointments to fill the unexpired portion of any term shall be for such portion only.

(2) The National Council shall—

(A) review the administration of, general regulations for, and operation of the programs assisted under this title at the Federal, State, and local levels, and other Federal education programs;

(B) advise the Commissioner and, when appropriate, the Secretary and other Federal officials with respect to the educational needs and goals of the Nation and assess the progress of the educational agencies, institutions, and organizations of the Nation toward meeting those needs and achieving those goals;

(C) conduct objective evaluations of specific education programs and projects in order to ascertain the effectiveness of such programs and projects in achieving the purpose for which they are intended;

(D) review, evaluate, and transmit to the Congress and the President the reports submitted pursuant to clause (E) of paragraph (3) of subsection (b) of this section;

(E) make recommendations (including recommendations for changes in legislation) for the improvement of the administration and operation of education programs including the programs authorized by this title;

(F) consult with Federal, State, local, and other educational agencies, institutions, and organizations with respect to assessing education in the Nation and the improvement of the quality of education, including—

(i) areas of unmet needs in education and national goals and the means by which those areas of need may be met and those national goals may be achieved;

(ii) determinations of priorities among unmet needs and national goals; and

(iii) specific means of improving the quality and effectiveness of teaching, curricula, and educational media and of raising standards of scholarship and levels of achievement;

(G) conduct national conferences on the assessment and improvement of education, in which national and regional education associations and organizations, State and local education officers and administrators, and other organizations, institutions, and persons (including parents of children participating in Federal education programs) may exchange and disseminate information on the improvement of education; and

(H) conduct, and report on, comparative studies and evaluations of education systems in foreign countries.

(3) The National Council shall make an annual report, and such other reports as it deems appropriate, on its findings, recommendations, and activities to the Congress and the President. The President is requested to transmit to the Congress, at least annually, such comments and recommendations as he may have with respect to such reports and its activities.

(4) In carrying out its responsibilities under this section, the National Council shall consult with the National Advisory Council on the Education of Disadvantaged Children, the National Advisory Council on Supplementary Centers and Services, the National Advisory Council on Education Professions Development, and such other advisory councils and committees as may have information and competence to assist the National Council. All Federal agencies are directed to cooperate with the National Council in assisting it in carrying out its functions.

(b)(1) Any State receiving payments under this title for any fiscal year may establish a State advisory council (hereinafter referred to as "State council") which if it meets the requirements and has the authority specified in this subsection may receive payments pursuant to paragraph (7). The State council shall be appointed by the Governor or, in the case of States in which the members of the State educational agency are elected (including election by the State legislature), by such agency.

(2) The State council established pursuant to this subsection shall be broadly representative of the educational resources of the State and of the public. Representation on the State council shall include, but not be limited to, persons representative of—

(A) public and nonprofit private elementary and secondary schools,

(B) institutions of higher education,

(C) areas of competence in planning and evaluating education programs, and the assessment of the effectiveness of, and the administration of, such programs at the State and local levels; and

(D) areas of competence in dealing with children for whom special educational assistance is available under this Act.

(3) The State council shall—

(A) prepare and submit through the State educational agency a report of its activities, recommendations, and evaluations, together with such additional comments as the State educational agency deems appropriate, to the Commissioner and the National Council at such times, in such form, and in such detail, as the Commissioner may prescribe;

(B) advise the State educational agency on the preparation of, and policy matters arising in the administration of, State and local educational programs in the State, including the development of criteria for approval of applications for assistance under this title;

(C) advise State and local officials who have a responsibility for education in the State with respect to the planning, evaluating, administration, and assessment of education in the State;

(D) review and make recommendations to the State educational agency on the action to be taken with respect to applications for assistance under this title by local educational agencies; and

(E) evaluate programs and projects assisted under this title.

(4) Any such State shall certify the establishment of, and membership of its State council to, the Commissioner.

(5) Such State council shall meet within thirty days after its certification has been accepted by the Commissioner and select from among its membership a chairman. The time, place, and manner of meeting shall be as provided by the rules of the State council, except that such rules must provide for not less than one public meeting each year at which the public is given opportunity to express views concerning the operation of programs and projects assisted under this title.

(6) Such State council shall be authorized to obtain the services of such professional, technical, and clerical personnel as may be necessary to enable them to carry out their functions under this title and to contract for such services as may be necessary to enable them to carry out their evaluation functions.

(7) There are hereby authorized to be appropriated for each fiscal year such sums, not in excess of 2½ per centum of the amount otherwise appropriated for such year for the purposes of this title, as may be necessary to carry out the provisions of this subsection.

(20 U.S.C. 868) Enacted April 13, 1970, P.L. 91-230, Title I, sec. 143(a)(4)(D), 84 Stat. 148.

Part E—General Provisions

ADMINISTRATION OF PLANS

Sec. 551. (a) The Commissioner shall not finally disapprove any application from a State or a local educational agency, submitted under part A or B of this title, or any modification thereof, without affording the applicant reasonable notice and an opportunity for a hearing.

(b) Whenever the Commissioner, after reasonable notice and an opportunity for a hearing to a State or a local educational agency administering a program under an application approved under this title, finds that there has been a failure to comply substantially with the appropriate provisions of this title or with the provisions of an application approved under this title, he shall notify the State or the local educational agency, as the case may be, that further payments will not be made to that State or that local educational agency under that application until he is satisfied that there is no longer any such failure to comply. Until he is so satisfied, no further payments shall be made to that State or that local educational agency under the application. Whenever a local educational agency is given notice under the first sentence of this subsection, notice shall also be submitted to the appropriate State educational agency.

(20 U.S.C. 869) Enacted April 13, 1970, P.L. 91–230, Title I, sec. 143(a)(4)(D), 84 Stat. 150.

JUDICIAL REVIEW

SEC. 552. (a) If any State or any local educational agency is dissatisfied with the Commissioner's final action with respect to the approval of an application submitted under part A or B of this title or with his final action under section 551(b), such State or local educational agency may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State or local educational agency is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action as provided in section 2112 of title 28, United States Code.

(b) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(c) The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(20 U.S.C. 869a) Enacted April 13, 1970, P.L. 91–230, Title I, sec. 143(a)(4)(D), 84 Stat. 151.

INTERCHANGE OF PERSONNEL

SEC. 553. (Repealed by P.L. 91–648, Title IV, Sec. 403, 84 Stat. 1925. See 5 U.S.C. 3371 ff).

TITLE VI—EDUCATION OF THE HANDICAPPED

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(Note.—Effective July 1, 1971, title VI of ESEA is repealed and replaced by Education of the Handicapped Act. See p. —.)

TITLE VII—BILINGUAL EDUCATION PROGRAMS

SHORT TITLE

SEC. 701. This title may be cited as the "Bilingual Education Act".

DECLARATION OF POLICY

SEC. 702. In recognition of the special educational needs of the large numbers of children of limited English-speaking ability in the United States, Congress hereby declares it to be the policy of the United States to provide financial assistance to local educational agencies to develop and carry out new and imaginative elementary and secondary school programs designed to meet these special educational needs. For the purposes of this title, "children of limited English-speaking ability" means children who come from environments where the dominant language is other than English.

(20 U.S.C. 880b) Enacted Jan. 2, 1968, P.L. 90-247, Title VII, Sec. 702, 81 Stat 816.

AUTHORIZATION AND DISTRIBUTION OF FUNDS

SEC. 703. (a) For the purposes of making grants under this title, there is authorized to be appropriated the sum of $15,000,000 for the fiscal year ending June 30, 1968, $30,000,000 for the fiscal year ending June 30, 1969, $40,000,000 for the fiscal year ending June 30, 1970, $80,000,000 for the fiscal year ending June 30, 1971, $100,000,000 for the fiscal year ending June 30, 1972, and $135,000,000 for the fiscal year ending June 30, 1973.

(b) In determining distribution of funds under this title, the Commissioner shall give highest priority to States and areas within States having the greatest need for programs pursuant to this title. Such priorities shall take into consideration the number of children of limited English-speaking ability between the ages of three and eighteen in each State.

(20 U.S.C. 880b-1) Enacted Jan. 2, 1968, P.L. 90-247, Title VII, Sec. 702, 81 Stat. 816; amended April 13, 1970, P.L. 91-230, Title I, Sec. 151, 84 Stat. 151.

USES OF FEDERAL FUNDS

SEC. 704. Grants under this title may be used, in accordance with applications approved under section 705, for—

(a) planning for and taking other steps leading to the development of programs designed to meet the special educational needs of children of limited English-speaking ability in schools having a high concentration of such children from families (A) with incomes below $3,000 per year, or (B) receiving payments under a program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, including research projects, pilot projects designed to test the effectiveness of plans so developed, and the development and dissemination of special instructional materials for use in bilingual education programs; and

(b) providing preservice training designed to prepare persons to participate in bilingual education programs as teachers, teacher-aides, or other ancillary education personnel such as counselors, and inservice training and development programs designed to enable such persons to continue to improve their qualifications while participating in such programs; and

(c) the establishment, maintenance, and operation of programs, including acquisition of necessary teaching materials and equipment, designed to meet the special educational needs of children of limited English-speaking ability in schools having a high concentration of such children from families (A) with incomes below $3,000 per year, or (B) receiving payments under a program of aid to families with dependent children under a State plan approved under title IV of the Social Security Act, through activities such as—

(1) bilingual education programs;

(2) programs designed to impart to students a knowledge of the history and culture associated with their languages;

(3) efforts to establish closer cooperation between the school and the home;

(4) early childhood educational programs related to the purposes of this title and designed to improve the potential for profitable learning activities by children;

(5) adult education programs related to the purposes of this title, particularly for parents of children participating in bilingual programs;

(6) programs designed for dropouts or potential dropouts having need of bilingual programs;

(7) programs conducted by accredited trade, vocational, or technical schools; and

(8) other activities which meet the purposes of this title.

(20 U.S.C. 880b-2) Enacted Jan. 2, 1968, P.L. 90-247, Title VII, sec. 702, 81 Stat. 817.

APPLICATIONS FOR GRANTS AND CONDITIONS FOR APPROVAL

SEC. 705. (a) A grant under this title may be made to a local educational agency or agencies, or to an institution of higher education applying jointly with a local educational agency, upon application to the Commissioner at such time or times, in such manner and containing or accompanied by such information as the Commissioner deems necessary. Such application shall—

(1) provide that the activities and services for which assistance under this title is sought will be administered by or under the supervision of the applicant;

(2) set forth a program for carrying out the purpose set forth in section 704 and provide for such methods of administration as are necessary for the proper and efficient operation of the program;

(3) set forth a program of such size, scope, and design as will make a substantial step toward achieving the purpose of this title;

(4) set forth policies and procedures which assure that Federal funds made available under this title for any fiscal year will be so used as to supplement and, to the extent practicable, increase the level of funds (including funds made available under title I of

this Act) that would, in the absence of such Federal funds, be made available by the applicant for the purposes described in section 704, and in no case supplant such funds;

(5) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this title;

(6) provide for making an annual report and such other reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this title and to determine the extent to which funds provided under this title have been effective in improving the educational opportunities of persons in the area served, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports;

(7) provide assurance that provision has been made for the participation in the project of those children of limited English-speaking ability who are not enrolled on a full-time basis; and

(8) provide that the applicant will utilize in programs assisted pursuant to this title the assistance of persons with expertise in the educational problems of children of limited English-speaking ability and make optimum use in such programs of the cultural and educational resources of the area to be served; and for the purposes of this paragraph, the term "cultural and educational resources" includes State educational agencies, institutions of higher education, nonprofit private schools, public and nonprofit private agencies such as libraries, museums, musical and artistic organizations, educational radio and television, and other cultural and educational resources.

(b) Applications for grants under title may be approved by the Commissioner only if—

(1) the application meets the requirements set forth in subsection (a);

(2) the program set forth in the application is consistent with criteria established by the Commissioner (where feasible, in cooperation with the State educational agency) for the purpose of achieving an equitable distribution of assistance under this title within each State, which criteria shall be developed by him on the basis of a consideration of (A) the geographic distribution of children of limited English-speaking ability, (B) the relative need of persons in different geographic areas within the State for the kinds of services and activities described in paragraph (c) of section 704, and (C) the relative ability of particular local educational agencies within the State to provide those services and activities;

(3) the Commissioner determines (A) that the program will utilize the best available talents and resources and will substantially increase the educational opportunities for children of limited English-speaking ability in the area to be served by the applicant, and (B) that, to the extent consistent with the number of children enrolled in nonprofit private schools in the area to be served whose educational needs are of the type which this program is intended to meet, provision has been made for participation of such children; and

(4) the State educational agency has been notified of the application and been given the opportunity to offer recommendations.

(c) Amendments of applications shall, except as the Commissioner may otherwise provide by or pursuant to regulations, be subject to approval in the same manner as original applications.

(20 U.S.C. 880b-3) Enacted Jan. 2, 1968, P.L. 90-247, Title VII, sec. 702, 81 Stat. 817.

CHILDREN IN SCHOOLS ON RESERVATIONS

SEC. 706. (a) For the purpose of carrying out programs pursuant to this title for individuals on reservations serviced by elementary and secondary schools operated on such reservations for Indian children, a nonprofit institution or organization of the Indian tribe concerned which operates any such school and which is approved by the Commissioner for the purposes of this section, may be considered to be a local educational agency as such term is used in this title.

(b) From the sums appropriated pursuant to section 703, the Commissioner may also make payments to the Secretary of the Interior for elementary and secondary school programs to carry out the policy of section 702 with respect to individuals on reservations serviced by elementary and secondary schools for Indian children operated or funded by the Department of the Interior. The terms upon which payments for that purpose may be made to the Secretary of the Interior shall be determined pursuant to such criteria as the Commissioner determines will best carry out the policy of section 702.

(20 U.S.C. 880b-3a) Enacted April 13, 1970, P.L. 91-230, Title I, sec. 152(a), 84 Stat. 151.

PAYMENTS TO APPLICANTS

SEC. 707 (a) The Commissioner shall pay to each applicant which has an application approved under this title an amount equal to the total sums expended by the applicant under the application for the purposes set forth therein or, in the case of payments to the Secretary of the Interior, an amount determined pursuant to section 706(b).

(b) Payments under this title may be made in installments and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

(20 U.S.C. 880b-4) Enacted Jan. 2, 1968, P.L. 90-247, Title VII, Sec. 702, 81 Stat. 819; redesignated and amended April 13, 1970, P.L. 91-230, Title I, Sec. 152(a), (b), 84 Stat. 151, 152.

ADVISORY COMMITTEE

SEC. 708. (a) The Commissioner shall establish in the Office of Education an Advisory Committee on the Education of Bilingual Children, consisting of fifteen members appointed, without regard to the civil service laws, by the Commissioner with the approval of the Secretary. The Commissioner shall appoint one such member as Chairman. At least seven of the members of the Advisory Committee shall be educators experienced in dealing with the educational problems of children whose native tongue is a language other than English.

(b) The Advisory Committee shall advise the Commissioner in the preparation of general regulations and with respect to policy matters arising in the administration of this title, including the development of criteria for approval of applications thereunder. The Commissioner may appoint such special advisory and technical experts and consultants as may be useful and necessary in carrying out the functions of the Advisory Committee.

(20 U.S.C. 880b–5) Enacted Jan. 2, 1968, P.L. 90–247, Title VII, Sec. 702, 81 Stat. 819; redesignated and amended April 13, 1970, P.L. 91–230, Title I, Secs. 152(a), 153, Title IV, 401(h)(3), 84 Stat. 151, 152, 174.

TITLE VIII—GENERAL PROVISIONS

DEFINITIONS

SECTION 801. As used in titles II, III, V, VI,[1] and VII of this Act, except when otherwise specified—

(a) The term "Commissioner" means the Commissioner of Education.

(b) The term "construction" means (1) erection of new or expansion of existing structures, and the acquisition and installation of equipment therefore; or (2) acquisition of existing structures not owned by any agency or institution making application for assistance under this Act; or (3) remodeling or alteration (including the acquisition, installation, modernization, or replacement of equipment) of existing structures; or (4) a combination of any two or more of the foregoing.

(c) The term "elementary school" means a day or residential school which provides elementary education, as determined under State law.

(d) The term "equipment" includes machinery, utilities, and built-in equipment and any necessary enclosures or structures to house them, and includes all other items necessary for the functioning of a particular facility as a facility for the provision of educational services, including items such as instructional equipment and necessary furniture, printed, published, and audio-visual instructional materials, and books, periodicals, documents, and other related materials.

(e) The term "institution of higher education" means an educational institution in any State which—

(1) admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of such a certificate;

(2) is legally authorized within such State to provide a program of education beyond high school;

(3) provides an educational program for which it awards a bachelor's degree, or provides not less than a two-year program which is acceptable for full credit toward such a degree, or offers a two-year program in engineering, mathematics, or the physical or biological sciences which is designed to prepare the student to work as a technician and at a semiprofessional level in engineering, scientific, or other technological fields which require the understanding and application of basic engineering, scientific, or mathematical principles or knowledge;

(4) is a public or other nonprofit institution; and

(5) is accredited by a nationally recognized accrediting agency or association listed by the Commissioner pursuant to this paragraph or, if not so accredited, is an institution whose credits are accepted, on transfer, by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited: *Provided, however,* That in the

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[1] Repealed effective July 1, 1971.

case of an institution offering a two-year program in engineering, mathematics, or the physical or biological sciences which is designed to prepare the student to work as a technician and at a semiprofessional level in engineering, scientific, or technological fields which requires the understanding and application of basic engineering, scientific, or mathematical principles or knowledge, if the Commissioner determines that there is no nationally recognized accrediting agency or association qualified to accredit such institutions, he shall appoint an advisory committee, composed of persons specially qualified to evaluate training provided by such institutions, which shall prescribe the standards of content, scope, and quality which must be met in order to qualify such institutions to participate under this Act and shall also determine whether particular institutions meet such standards. For the purposes of this paragraph the Commissioner shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of education or training offered.

(f) The term "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools. Such terms also includes any other public institution or agency having administrative control and direction of a public elementary or secondary school.

(g) The term "nonprofit" as applied to a school, agency, organization, or institution means a school, agency, organization, or institution owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(h) The term "secondary school" means a day or residential school which provides secondary education, as determined under State law, except that it does not include any education provided beyond grade 12.

(i) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(j) The term "State" includes, in addition to the several States of the Union, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, and the Virgin Islands and for purposes of titles II, III, VI, and VII such terms also includes the Trust Territory of the Pacific Islands.

(k) The term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the Governor or by State law.

(l) The term "gifted and talented children" means, in accordance with objective criteria prescribed by the Commissioner, children who have outstanding intellectual ability or creative talent the development of which requires special activities or services not ordinarily provided by local educational agencies.

(20 U.S.C. 881) Enacted April 11, 1965, P.L. 89-10, Title VIII, sec. 801, formerly Title VI, sec. 601, 79 Stat. 55; redesignated as Title VII, sec. 701, Nov. 3, 1966, P.L. 89-750, Title I, sec. 161, 80 Stat. 1204; amended and redesignated Jan. 2, 1968, P.L. 90-247, Titles I, VII, secs. 142(b), 152(c), 702, 703, 81 Stat. 799, 803, 816, 819; amended April 13, 1970, P.L. 91-230, Title I, sec. 162, 84 Stat. 152.

FEDERAL ADMINISTRATION

Sec. 803 (a) (Repealed).

(b) (Repealed).

(c) In administering the provisions of this Act and any Act amended by this Act, the Commissioner shall consult with other Federal departments and agencies administering programs which may be effectively coordinated with programs carried out pursuant to such Acts, and to the extent practicable for the purposes of such Acts shall coordinate such programs on the Federal level with the programs being administered by such other departments and agencies. Federal departments and agencies administering programs which may be effectively coordinated with programs carried out under this Act or any Act amended by this Act, including community action programs carried out under title II of the Economic Opportunity Act of 1964, shall, to the fullest extent permitted by other applicable law, carry out such programs in such a manner as to assist in carrying out, and to make more effective, the programs under this Act or any Act amended by this Act.

(20 U.S.C. 883) Enacted April 11, 1965, P.L. 89-10, Title VIII, sec. 803, formerly Title VI, sec. 603, 79 Stat. 57; redesignated as Title VII, sec. 703, and amended Nov. 3 1966, P.L. 89-750, Title I, secs. 111(f), 161, 80 Stat. 1196, 1204; redesignated Jan. 2, 1968, P.L. 90-247, Title VII, sec. 702, 81 Stat. 816; amended April 13, 1970, P.L. 91-230, Title I, sec. 163, Title IV, 401(c)(2), 84 Stat. 153, 173. Sections (a) and (b) superseded by sec. 411 of P.L. 90-247, as amended by P.L. 91-230 (20 U.S.C. 1231).

LIMITATION ON PAYMENTS UNDER THIS ACT

Sec. 805. Nothing contained in this Act shall be construed to authorize the making of any payment under this Act, or under any Act amended by this Act, for religious worship or instruction.

(20 U.S.C. 885) Enacted April 11, 1965, P.L. 89-10, Title VIII, sec. 805, formerly Title VI, sec. 605, 79 Stat. 58; redesignated as Title VII, sec. 705, Nov. 3, 1966, P.L. 89-750, Title I, sec. 161, 80 Stat. 1204; redesignated Jan. 2, 1968, P.L. 90-247, Title VII, sec. 702, 81 Stat. 816.

DROPOUT PREVENTION PROJECTS

Sec. 807. (a) The Commissioner is authorized to arrange by contract grant, or otherwise, with local educational agencies for the carrying out by such agencies in schools which (1) are located in urban or rural areas, (2) have a high percentage of children from families with an income not exceeding the low-income factor, as defined in section 103(c), and (3) have a high percentage of such children who do not complete their education in elementary or secondary school, of demonstration projects involving the use of innovative methods, systems, materials, or programs which show promise of reducing the number of such children who do not complete their education in elementary and secondary schools.

(b) The Commissioner shall approve arrangements pursuant to this section only on application by a local educational agency and upon his finding:

(1) that the project will be carried out in one or more schools described in subsection (a);

(2) that the applicant has analyzed the reasons for such children not completing their education and has designed a program to meet this problem;

(3) that effective procedures, including objective measurements of educational achievements, will be adopted for evaluating at least annually the effectiveness of the project; and

(4) that the project has been approved by the appropriate State educational agency.

(c) For the purpose of carrying out the provisions of this section, there is hereby authorized to be appropriated $30,000,000 for each of the fiscal years ending June 30, 1970, and June 30, 1971, $31,500,000 for the fiscal year ending June 30, 1972, and $33,000,000 for the fiscal year ending June 30, 1973.

(20 U.S.C. 887) Enacted and redesignated Jan. 2, 1968, P.L. 90-247, Titles I, VII, secs. 172, 702, 81 Stat. 806, 816; amended April 13, 1970, P.L. 91-230, Title I, sec. 161, 84 Stat. 152.

GRANTS FOR DEMONSTRATION PROJECTS TO IMPROVE SCHOOL NUTRITION AND HEALTH SERVICES FOR CHILDREN FROM LOW-INCOME FAMILIES

SEC. 808. (a) The Secretary shall carry out a program of making grants to local educational agencies and, where appropriate, nonprofit private educational organizations, to support demonstration projects designed to improve nutrition and health services in public and private schools serving areas with high concentrations of children from low-income families.

(b) Funds appropriated pursuant to subsection (d) shall be available for grants pursuant to applications approved under this section to pay the cost of (1) coordinating nutrition and health service resources in the areas to be served by a demonstration project supported under this section, (2) providing supplemental health, nutritional, mental health, and food services to children from low-income families when the resources for such services available to the applicant from other sources are inadequate to meet the needs of such children, (3) nutrition and health education programs designed to train professional and other school personnel to provide nutrition and health services in a manner which meets the needs of children from low-income families for such services, and (4) the evaluation of projects assisted under this section with respect to their effectiveness in improving school nutrition and health services for such children.

(c) Applications for a grant under this section shall be submitted at such time, contain such information, and be consistent with such criteria as the Secretary may require by regulation. Such applications shall provide for—

(1) the use of funds available under this section and the coordination of health care facilities and resources and such nutrition resources as may be available to the applicant in order to insure that a comprehensive program of physical and mental health and

nutrition services are available to children from low-income families in the area to be served;

(2) the development of health and nutrition curriculum materials related to the specific needs of persons involved with the project and to new and improved approaches to health services and food technology;

(3) the training of (A) school administrators, teachers, and school health and nutrition personnel in order to assist them in meeting the health and nutritional needs of children from low-income families, and (B) professional and subprofessional personnel for service in school nutrition and health programs; and

(4) adequate provision for evaluation of the project.

(d) For the purpose of making grants under this section there are hereby authorized to be appropriated $2,000,000 for the fiscal year ending June 30, 1970, $10,000,000 for the fiscal year ending June 30, 1971, $16,000,000 for the fiscal year ending June 30, 1972, and $26,000,000 for the fiscal year ending June 30, 1973.

(20 U.S.C. 887a) Enacted April 13. 1970, P.L. 91-230, Title I, sec. 164, 84 Stat. 153.

RESEARCH AND DEMONSTRATION PROJECTS IN CORRECTION EDUCATION SERVICES

SEC. 809. (a) The Commissioner is authorized to make grants to State and local educational agencies, institutions of higher education, and other public and private nonprofit research agencies and organizations for research or demonstration projects, relating to the academic and vocational education of antisocial, aggressive, or delinquent persons, including juvenile delinquents, youth offenders, and adult criminal offenders, including the development of criteria for the identification for specialized educational instruction of such persons from the general elementary and secondary school age population and special curriculums, and guidance and counseling programs. All projects shall include an evaluation component.

(b) The Commissioner is authorized to appoint such special or technical advisory committees as he may deem necessary to advise him on matters of general policy relating to the education of persons intended to be benefited by this section, and shall secure the advice and recommendations of the Director, Bureau of Prisons, of the Director, Office of Juvenile Delinquency and Youth Development, the Director of the Teacher Corps, the head of the National Institute of Law Enforcement and Criminal Justice, the Administrator of the Law Enforcement Assistance Administration, and such other persons and organizations as he, in his discretion, deems necessary before making any grant under this section.

(20 U.S.C. 887b) Enacted April 13, 1970, P.L. 91-230, Title I, sec. 164, 84 Stat. 154.

LEGISLATIVE HISTORY

(P.L. 89-10)

House Report No. 143 (Committee on Education and Labor).
Senate Report No. 146 (Committee on Labor and Public Welfare).
Congressional Record, volume 111 (1965):
  March 24-25: Considered in House.

March 26: Considered and passed House.
April 6–8: Considered in Senate.
April 9: Considered and passed Senate.
Approved: April 11, 1965.

(P.L. 89–750)

House Reports: No. 1814, 1814 pt. II (Committee on Education and Labor) and No. 2309 (committee of conference).

Senate Report No. 1674 accompanying S. 3046 (Committee on Labor and Public Welfare).

Congressional Record, volume 112 (1966):
October 5: Considered in House.
October 6: Considered and passed House.
October 5, 6: S. 3046 considered and passed Senate.
October 7: Considered and passed Senate, amended, in lieu of S. 3046.
October 19: Senate agreed to conference report.
House agreed to conference report.
Approved: November 3, 1966.

(P.L. 90–247)

House Reports: No. 188 (Committee on Education and Labor) and No. 1049 (committee of conference).

Senate Report No. 726 (Committee on Labor and Public Welfare).

Congressional Record, volume 113 (1967):
May 22–24: Considered and passed House.
December 1, 4–8, 11: Considered and passed Senate amended.
December 15: House and Senate agreed to conference report.
Approved: January 2, 1968.

(P.L. 91–230)

House Reports: No. 91–114 (Committee on Education and Labor) and No. 91–937 (committee of conference).

Senate Report No. 91–634 (Committee on Labor and Public Welfare).

Congressional Record:
Volume 115 (1969): April 23, considered and passed House.
Volume 116 (1970):
February 4–6, 9, 10, 16–18, considered in Senate.
February 19, considered and passed Senate, amended.
March 24, 25, Senate considered conference report.
April 1, Senate agreed to conference report.
April 7, House agreed to conference report.
Approved: April 13, 1970.

(P.L. 91–648)

House Report No. 91–1733 (Committee on Education and Labor).
Senate Report No. 91–489 (Committee on Government Operations).
Congressional Record:
Volume 115 (1969): October 27, considered and passed Senate.
Volume 116 (1970):
December 21, considered and passed House, amended.
December 22, Senate concurred in House amendment.
Approved: January 5, 1971.

Elementary and Secondary Education Amendments of 1967

(P.L. 90–247)

* * * * * * *

STUDY OF IMPACT OF CHILDREN LIVING IN PUBLIC HOUSING

Sec. 111. The Secretary of Health, Education, and Welfare shall make a study of the burden imposed on a local educational agency by the presence of low-rent public housing within the boundaries of its school district. The Secretary shall submit a report on the results of

his study to the Senate and House of Representatives on or before May 15, 1968. Such report shall include such recommendations for legislation as the Secretary deems appropriate.

Enacted Jan. 2, 1968, P.L. 90–247, Title I, sec. 111, 81 Stat. 787.

* * * * * * *

STUDY OF DATA USED TO ESTABLISH ENTITLEMENTS

Sec. 113. The Commissioner of Education and the Secretary of Commerce, acting together, shall prepare and submit to the Senate and House of Representatives, on or before May 1, 1968, a report setting forth a method of determining the information necessary to establish entitlements within each of the several States under title I of the Elementary and Secondary Education Act of 1965 on the basis of data later than 1960. Such report shall include recommendations for legislation necessary to permit the adoption of such method.

Enacted Jan. 2, 1968, P.L. 90–247, Title I, sec. 113, 81 Stat. 788.

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Title VI—Study for Schoolbus Safety

STUDY FOR SCHOOLBUS SAFETY

Sec. 601. (a) The Secretary of Health, Education, and Welfare, in cooperation with the Secretary of Transportation, is authorized to make a study and investigation in order to recommend action to promote schoolbus safety (including safety of operation) and such study may include such research and testing activities as the Secretary determines to be necessary to carry out the provisions of this title.

(b) The Secretary of Health, Education, and Welfare shall report the results of such study, together with his recommendations, to the Congress not later than January 31, 1969.

(15 U.S.C. 1381, Note) Enacted Jan. 2, 1968, P.L. 90–247, Title VI, sec. 601, 81 Stat. 815.

APPROPRIATIONS AUTHORIZED

Sec. 602. There is hereby authorized to be appropriated $150,000 to carry out the provisions of this title.

(15 U.S.C. 1381, Note) Enacted Jan. 2, 1968, P.L. 90–247, Title VI, sec. 602, 81 Stat. 816.

Public Law 874, 81st Congress

Title I—Financial Assistance for Local Educational Agencies in Areas Affected by Federal Activity

DECLARATION OF POLICY

Section 1. In recognition of the responsibility of the United States for the impact which certain Federal activities have on the local educational agencies in the areas in which such activities are carried on, the Congress hereby declares it to be the policy of the United States to provide financial assistance (as set forth in the following sections of this title) for those local educational agencies upon which the United States has placed financial burdens by reason of the fact that—

(1) the revenues available to such agencies from local sources have been reduced as the result of the acquisition of real property by the United States; or

(2) such agencies provide education for children residing on Federal property; or

(3) such agencies provide education for children whose parents are employed on Federal property; or

(4) there has been a sudden and substantial increase in school attendance as the result of Federal activities.

(20 U.S.C. 236) Enacted Sept. 30, 1950, C. 1124, P.L. 874, 81st Cong., sec. 1, 64 Stat. 1100; amended April 11, 1965, P.L. 89-10, Title I, sec. 2, 79 Stat. 27.

FEDERAL ACQUISITION OF REAL PROPERTY

SEC. 2. (a) Where the Commissioner, after consultation with any local educational agency and with the appropriate State educational agency, determines for any fiscal year ending prior to July 1, 1973—

(1) that the United States owns Federal property in the school district of such local educational agency, and that such property (A) has been acquired by the United States since 1938, (B) was not acquired by exchange for other Federal property in the school district which the United States owned before 1939, and (C) had an assessed value (determined as of the time or times when so acquired) aggregating 10 per centum or more of the assessed value of all real property in the school district (similarly determined as of the time or times when such Federal property was so acquired); and

(2) that such acquisition has placed a substantial and continuing financial burden on such agency; and

(3) that such agency is not being substantially compensated for the loss in revenue resulting from such acquisition by increases in revenue accruing to the agency from the carrying on of Federal activities with respect to the property so acquired,

then the local educational agency shall be entitled to receive for such fiscal year such amount as, in the judgment of the Commissioner, is equal to the continuing Federal responsibility for the additional financial burden with respect to current expenditures placed on such agency by such acquisition of property. Such amount shall not exceed the amount which, in the judgment of the Commissioner, such agency would have derived in such year, and would have had available for current expenditures, from the property acquired by the United States (such amount to be determined without regard to any improvements or other changes made in or on such property since such acquisition).

(b) For the purposes of this section any real property with respect to which payments are being made under section 13 of the Tennessee Valley Authority Act of 1933, as amended, shall not be regarded as Federal property.

(c) Where the school district of any local educational agency shall have been formed at any time after 1938 by the consolidation of two or more former school districts, such agency may elect (at the time it files application under section 5) for any fiscal year to have (1) the eligibility of such local educational agency, and (2) the amount which such agency shall be entitled to receive, determined under this section only with respect to such of the former school districts comprising such consolidated school district as the agency shall designate in such election.

(20 U.S.C. 237) Enacted Sept. 30, 1950, C. 1124, P.L. 874, 81st Cong., Title I, sec. 2, 64 Stat. 1101; amended Aug. 8, 1953, C. 402, P.L. 248, 83d Cong., sec. 1, 67 Stat. 530; amended Aug. 12, 1955, C. 868, P.L. 382, 84th Cong., sec. 1, 69 Stat. 713; amended Aug. 3, 1956, C. 915, P.L. 949, 84th Cong., Title II, sec. 201, 70 Stat. 970; amended Aug. 12, 1958, P.L. 85–620, Title II, sec. 201, 72 Stat. 559; amended Oct. 3, 1961, P.L. 87–344, Title I, sec. 102(a), 75 Stat. 759; amended Dec. 18, 1963, P.L. 88–210, Title III, sec. 302, formerly sec. 32, 77 Stat. 419; amended Oct. 16, 1964, P.L. 88—665, Title XI, sec. 1102(a), 78 Stat. 1109; amended April 11, 1965, P.L. 89–10, Title I, secs. 2, 5, 79 Stat. 27, 36; amended Jan. 2, 1968, P.L. 90–247, Title II, III, secs. 204 (a)–(c) 301(e), 81 Stat. 808, 813; redesignated Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(a)(1), 82 Stat. 1064; amended Apr. 13, 1970, P.L. 91–230, Title II, sec. 201(b), 84 Stat. 154.

CHILDREN RESIDING ON, OR WHOSE PARENTS ARE EMPLOYED ON, FEDERAL PROPERTY

CHILDREN OF PERSONS WHO RESIDE AND WORK ON FEDERAL PROPERTY

SEC. 3. (a) For the purpose of computing the amount to which a local educational agency is entitled under this section for any fiscal year, the Commissioner shall determine the number of children who were in average daily attendance at the schools of such agency, and for whom such agency provided free public education, during such fiscal year, and who, while in attendance at such schools, resided on Federal property and (1) did so with a parent employed on Federal property situated in whole or in part in the same State as the school district of such agency or situated within reasonable commuting distance from the school district of such agency, or (2) had a parent who was on active duty in the uniformed services (as defined in section 102 of the Career Compensation Act of 1949).

CHILDREN OF PERSONS WHO RESIDE OR WORK ON FEDERAL PROPERTY

(b) For the purpose of computing the amount to which a local educational agency is entitled under this section for any fiscal year ending prior to July 1, 1973, the Commissioner shall also determine the number of children (other than children to whom subsection (a) applies) who were in average daily attendance at the schools of a local educational agency, and for whom such agency provided free public education, during such fiscal year and who, while in attendance at such schools, either (1) resided on Federal property, or (2) resided with a parent employed on Federal property situated in whole or in part in the same State as such agency or situated within reasonable commuting distance from the school district of such agency, or (3) had a parent who was on active duty in the uniformed services (as defined in section 102 of the Career Compensation Act of 1949). In the case of fiscal years ending prior to July 1, 1973, the Commissioner shall also determine the number of children (other than children to whom subsection (a) or any other provision of this subsection applies) who were in average daily attendance at the schools of a local educational agency and for whom such agency provided free public education, during such fiscal year, and who, while in attendance at such schools resided with a parent who was, at any time during the three-year period immediately preceding the fiscal year for which the determination is made, a refugee who meets the requirements of section 2(b)(3)(A) and (B) of the Migration and Refugee Assistance Act of 1962.

(c)(1) The amount to which a local educational agency is entitled under this section for any fiscal year shall be an amount equal to (A) the local contribution rate (determined under subsection (d)) multiplied by (B) the sum of the number of children determined under subsection (a) and one-half of the number determined under subsection (b).

(2) No local educational agency shall be entitled to receive any payment for a fiscal year with respect to a number of children determined under subsection (a) or the first sentence of subsection (b), as the case may be, unless the number of children who were in average daily attendance during such year to whom such subsection or such sentence applies—

(A) is ten or more; and

(B) amount to, whichever is the lesser, four hundred such children, or a number of such children equal to 3 per centum or more of the total number of children who were in average daily attendance during such year and for whom such agency provided free public education, except that such 3 per centum requirement need not be met by such agency for any period of two fiscal years which follows a fiscal year during which such agency met such requirement and was entitled to payment under the provisions of this section, but the payment, under the provisions of this section to such agency for the second fiscal year of any such two-year period during which such requirement is not met, shall be reduced by 50 per centum of the amount thereof.

For the purposes of this paragraph, a local educational agency may count as children determined under the first sentence of subsection (b) any number of children determined under subsection (a). Notwithstanding the provisions of clause (B) of this paragraph, the Commissioner may waive the 3 per centum condition of entitlement contained in such clause whenever, in his judgment, exceptional circumstances exist which would make the application of such condition inequitable and would defeat the purpose of this title.

(3) No local educational agency shall be entitled to receive any payment for a fiscal year with respect to a number of children determined under the second sentence of subsection (b) unless the number of children who were in average daily attendance to whom such sentence applies amounts to 20 per centum or more of the number of children who were in average daily attendance during such year and for whom such agency provided free public education, but in determining the number of such children under such second sentence no child shall be counted with respect to whose education a payment was made under section 2(b)(4) of the Migration and Refugee Assistance Act of 1962.

(4) If—

(A) the amount computed under paragraph (1) for a local educational agency for any fiscal year, together with the funds available to such agency from State, local, and other Federal sources (including funds available under section 4 of this title, but excluding funds available under title II) is, in the judgment of the Commissioner, less than the amount necessary to enable such agency to provide a level of education equivalent to that maintained in the school districts of the State which, in the judgment of the Commissioner, are generally comparable to the school district of such agency;

(B) such agency is, in the judgment of the Commissioner, making a reasonable tax effort and exercising due diligence in availing itself of State and other financial assistance;

(C) not less than 50 per centum of the total number of children who were in average daily attendance at the schools of such agency, and for whom such agency provided free public education, during such fiscal year resided on Federal property; and

(D) the eligibility of such agency under State law for State aid with respect to the free public education of children residing on Federal property, and the amount of such aid, is determined on a basis no less favorable to such agency than the basis used in determining the eligibility of local educational agencies for State aid, and the amount thereof, with respect to the free public education of other children in the State;

the Commissioner may increase the amount computed under paragraph (1) to the extent necessary to enable such agency to provide a level of education equivalent to that maintained in such comparable school districts; except that this paragraph shall in no case operate to increase the amount computed for any fiscal year under paragraph (1) for a local educational agency above the amount determined by the Commissioner to be the cost per pupil of providing a level of education equivalent to that maintained in such comparable school districts, multiplied by the number of children who were in average daily attendance at the schools of such agency, and for whom such agency provided free public education, during such year, and who resided on Federal property during such year, minus the amount of State aid which the Commissioner determines to be available with respect to such children for the year for which the computation is being made.

(5) The determinations whether a local educational agency has met the requirements for eligibility under paragraphs (2)(B) and (4)(C) of this subsection for any fiscal year shall be made on the basis of estimates by the Commissioner made prior to the close of such year, except that an underestimate made by the Commissioner pursuant to the foregoing provisions of this sentence shall not operate to deprive an agency of its entitlement to any payments under this section to which it would be entitled had the estimate been accurate.

(d) The local contribution rate for a local educational agency (other than a local educational agency in Puerto Rico, Wake Island, Guam, American Samoa, or the Virgin Islands, or in a State in which a substantial proportion of the land is in unorganized territory for which a State agency is the local educational agency, or in a State in which there is only one local educational agency) for any fiscal year shall be computed by the Commissioner of Education, after consultation with the State educational agency and the local educational agency, in the following manner:

(1) he shall determine which school districts within the State are in his judgment generally comparable to the school districts of the agency for which the computation is being made; and

(2) he shall then divide (A) the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which he is making the computation, which the local educational agencies of such comparable school districts made from revenues derived from local sources, by (B) the aggregate number of children in average daily attendance to whom such agencies provided free public education during such second preceding fiscal year.

The local contribution rate shall be an amount equal to the quotient obtained under clause (2) of this subsection. If, in the judgment of the Commissioner, the current expenditures in those school districts which he has selected under clause (1) are not reasonably comparable because of unusual geographical factors which affect the current expenditures necessary to maintain, in the school district of the local educational agency for which the computation is being made, a level of education equivalent to that maintained in such other districts, the Commissioner may increase the local contribution rate for such agency by such amount as he determines will compensate such agency for the increase in current expenditures necessitated by such unusual geographical factors. In no event shall the local contribution rate for any local educational agency in any State (other than Puerto Rico, Wake Island, Guam, American Samoa, or the Virgin Islands) for any fiscal year be less than (i) 50 per centum of the average per pupil expenditures in such State or (ii) 50 per centum of the average per pupil expenditure in the United States (which for purposes of this sentence and the next sentence means the fifty States and the District of Columbia), but not to exceed the average per pupil expenditure in the State: *Provided*, That if, for the fiscal year ending June 30, 1959, the application of clause (ii) of this sentence results in a lower local contribution rate than resulted from the application of such clause during the fiscal year ending June 30, 1958, as such clause was then in effect, then such clause, as in effect during the fiscal year ending June 30, 1958, shall be in effect during the fiscal year ending June 30, 1959. For the purposes of the preceding sentence the "average per pupil expenditure" in a State, or in the United States, shall be the aggregate current expenditures, during the second fiscal year preceding the fiscal year for which the computation is made, of all local educational agencies in the State, or in the United States, as the case may be, plus any direct current expenditures by the States for the operation of such agencies (without regard to the sources of funds from which either of such expenditures are made), divided by the aggregate number of children in average daily attendance to whom such agencies provided free public education during such preceding fiscal year. The local contribution rate for any local educational agency in Puerto Rico, Wake Island, Guam, American Samoa, or the Virgin Islands, or in any State in which a substantial proportion of the land is in unorganized territory for which a State agency is the local educational agency, or in any State in which there is only one local educational agency, shall be determined for any fiscal year by the Commissioner in accordance with policies and principles which will, in his judgment, best effectuate the purposes of this title and most nearly approximate the policies and principles provided herein for determining local contribution rates in other States.

ADJUSTMENT FOR CERTAIN DECREASES IN FEDERAL ACTIVITIES

(e) Whenever the Commissioner determines that—

(1) a local educational agency has made preparations to provide during a fiscal year free public education for a certain number of children to whom subsection (a) or (b) applies;

(2) such preparations were in his judgment reasonable in the light of the information available to such agency at the time such preparations were made; and

(3) such number has been substantially reduced by reason of a decrease in or cessation of Federal activities or by reason of a failure of any of such activities to occur,

the amount to which such agency is otherwise entitled under this section for such year shall be increased to the amount to which, in the judgment of the Commissioner, such agency would have been entitled but for such decrease in or cessation of Federal activities or the failure of such activities to occur, minus any reduction in current expenditures for such year which the Commissioner determines that such agency has effected, or reasonably should have effected, by reason of such decrease in or cessation of Federal activities or the failure of such activities to occur. Such order of priority shall provide that applications for payments based upon increases in the number of children residing on, or residing with a parent employed on, property which is part of a low-rent housing project assisted under the United States Housing Act of 1937 shall not be approved for any fiscal year until all other applications under paragraphs (2) and (3) of subsection (a) of section 5 have been approved for that fiscal year.

(20 U.S.C. 238) Enacted Sept. 30, 1950, c. 1124, P.L. 874, 81st Cong., Title I, sec. 3, 64 Stat. 1102; amended Aug. 8, 1953, C. 402, P.L. 248, 83d Cong., sec. 2, 67 Stat. 530; amended Aug. 12, 1955, c. 868, P.L. 382, 84th Cong., sec. 1, 69 Stat. 713; amended Aug. 1, 1956, c. 852, P.L. 896, 84th Cong., sec. 10, 70 Stat. 909; amended Aug. 3, 1956, c. 915, P.L. 949, 84th Cong., Title II, secs. 202–206, 70 Stat. 970, 971; amended Aug. 12, 1958, P.L. 85–620, Title II, sec. 202, 72 Stat. 559; amended June 25, 1959, P.L. 86–70 sec. 18(d)(1)–(3), 73 Stat. 144; amended July 12, 1960, P.L. 86–624, sec. 14(d)(1)–(3), 74 Stat. 414; amended Oct. 3, 1961, P.L. 87–344, Title I, sec. 102(a), 75 Stat. 759; amended Dec. 18, 1963, P.L. 88–210, Title III, sec. 302, formerly sec. 32, 77 Stat. 419; amended Oct. 16, 1964, P.L. 88–665, Title XI, sec. 1102(a), 78 Stat. 1109; amended April 11, 1965, P.L. 89–10, Title I, secs. 2, 3(a), 4(d)(2), 5, 79 Stat. 27, 34–36; amended Nov. 1, 1965, P.L. 89–313, sec. 4(a), 79 Stat. 1161; amended Nov. 3, 1966, P.L. 89–750, Title II, sec. 201, 80 Stat. 1210; amended Jan. 2, 1968, P.L. 90–247, Titles II, III, secs. 204(d), 205(a), 206, 301(e), 81 Stat. 808, 809, 813; redesignated Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(a)(1), 82 Stat. 1064, amended April 13, 1970, P.L. 91–230, Title II, secs. 201(b), 202, 84 Stat. 154, 155.

SUDDEN AND SUBSTANTIAL INCREASES IN ATTENDANCE

INCREASES HEREAFTER OCCURRING

Sec. 4. (a) If the Commissioner determines for any fiscal year ending prior to July 1, 1973—

(1) that, as a direct result of activities of the United States (carried on either directly or through a contractor), an increase in the number of children in average daily attendance at the schools of any local educational agency has occurred in such fiscal year, which increase so resulting from activities of the United States is equal to at least 5 per centum of the difference between the number of children in average daily attendance at the schools of such agency during the preceding fiscal year and the number of such children whose attendance during such year resulted from activities of the United States (including children who resided on Federal property or with a parent employed on Federal property);

(2) that such activities of the United States have placed on such agency a substantial and continuing financial burden; and

(3) that such agency is making a reasonable tax effort and is exercising due diligence in availing itself of State and other financial assistance but is unable to secure sufficient funds to meet the increased educational costs involved,

then such agency shall be entitled to receive for such fiscal year an amount equal to the product of—

(A) the number of children which the Commissioner determines to be the increase, so resulting from activities of the United States, in such year in average daily attendance; and

(B) the amount which the Commissioner determines to be the current expenditures per child necessary to provide free public education to such additional children during such year, minus the amount which the Commissioner determines to be available from State, local, and Federal sources for such purpose (not counting as available for such purpose either payments under this Act or funds from local sources necessary to provide free public education to other children).

For the next fiscal year (except where the determination under the preceding sentence has been made with respect to the fiscal year ending June 30, 1968) such agency shall be entitled to receive 50 per centum of such product reduced by the amount of such product which is attributable to children with respect to whom such agency is, or upon application would be, entitled to receive any payment under section 3 for such fiscal year, but not to exceed for such year the amount which the Commissioner determines to be necessary to enable such agency, with the State, local, and other Federal funds (exclusive of funds available under title II) available to it for such purpose, to provide a level of education equivalent to that maintained in the school districts in such State which in his judgment are generally comparable to the school district of such agency. The determinations whether an increase has occurred for purposes of clause (1) hereof and whether such increase meets the 5 per centum requirement contained in such clause, for any fiscal year, shall be made on the basis of estimates by the Commissioner made prior to the close of such year, except that an underestimate made by the Commissioner pursuant to the foregoing provisions of this sentence shall not operate to deprive an agency of its entitlements to any payments under this section to which it would be entitled had the estimate been accurate. The determination under clause (B) shall be made by the Commissioner after considering the current expenditures per child in providing free public education in those school districts in the State which, in the judgment of the Commissioner, are generally comparable to the school district of the local educational agency for which the computation is being made.

INCREASES HERETOFORE OCCURRING

(b) (Subsection 4(b) has been executed.)

COUNTING OF CERTAIN CHILDREN

(c) In determining under subsection (a) whether there has been an increase in attendance in any fiscal year directly resulting from activities of the United States and the number of children with respect to whom payment is to be made for any fiscal year, the Commissioner shall not count—

(A) children with respect to whom a local educational agency is, or upon application would be, entitled to receive any payment under section 3 for such fiscal year: *Provided*, That the Commissioner shall count for such purposes as an increase directly resulting from activities of the United States, an increase in the number of children who reside on Federal property or reside with a parent employed on Federal property, if the local educational agency files, in accordance with regulations of the Commissioner, its election that such increase be counted for such purposes instead of for the purposes of section 3; and

(B) children whose attendance is attributable to activities of the United States carried on in connection with real property which has been excluded from the definition of Federal property by the last sentence of paragraph (1) of section 303.

ADJUSTMENT FOR CERTAIN DECREASES IN FEDERAL ACTIVITIES

(d) Whenever the Commissioner determines that—

(1) a local educational agency has made preparations to provide during a fiscal year free public education for a certain number of children to whom subsection (a) applies;

(2) such preparations were in his judgment reasonable in the light of the information available to such agency at the time such preparations were made; and

(3) such number has been substantially reduced by reason of a decrease in or cessation of Federal activities or by reason of a failure of any of such activities to occur,

the amount to which such agency is otherwise entitled under this section for such year shall be increased to the amount to which, in the judgment of the Commissioner, such agency would have been entitled but for such decrease in or cessation of Federal activities or the failure of such activities to occur, minus any reduction in current expenditures for such year which the Commissioner determines that such agency has effected, or reasonably should have effected, by reason of such decrease in or cessation of Federal activities or the failure of such activities to occur.

CONSULTATION WITH STATE AND LOCAL AUTHORITIES

(e) All determinations of the Commissioner under this section shall be made only after consultation with the State educational agency and the local educational agency.

(20 U.S.C. 239) Enacted Sept. 30, 1950, C. 1124, P.L. 874, 81st Cong., Title I, sec. 4, 64 Stat. 1104; amended Aug. 8, 1953, C. 402, P.L. 248, 83d Cong., secs. 3–5, 67 Stat. 552; amended Aug. 12, 1955, c. 868, P.L. 382, 84th Cong., secs. 1, 2, 69 Stat. 713; amended Aug. 3, 1956, C. 915, P.L. 896, 84th Cong., Title II, secs. 207, 208, 70 Stat 972; amended Aug. 12, 1958, P.L. 85–620, Title II, sec. 203, 72 Stat. 560; amended Oct. 3, 1961, P.L. 87–344, Title I, sec. 102(a), 75 Stat. 759; amended Dec. 18, 1963, P.L. 88–210, Title III, sec. 302, formerly sec. 32, 77 Stat. 419; amended Oct. 16, 1964, P.L. 88–665, Title XI, sec. 102(a), 78 Stat. 1109; amended April 11, 1965, P.L. 89–10, Title I, secs. 3(b), 5, 79 Stat. 34, 36; amended Jan. 2, 1968, P.L. 90–247, Title III, sec. 301(e), 81 Stat. 813, redesignated Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(a)(1), 82 Stat. 1064, amended April 13, 1970, P.L. 91–230, Title II, sec. 201(b), 84 Stat. 154.

METHOD OF MAKING PAYMENTS [1]

APPLICATION

SEC. 5. (a) No local educational agency shall be entitled to any payment under section 2, 3, or 4 of this title for any fiscal year except upon application therefor, submitted through the State educational agency and filed in accordance with regulations of the Commissioner, which application gives adequate assurance that the local educational agency will submit such reports as the Commissioner may reasonably require to determine the amount to which such agency is entitled under this title.

PAYMENT

(b) The Commissioner shall, subject to the provisions of subsection (c), from time to time pay to each local educational agency, in advance or otherwise, the amount which he estimates such agency is entitled to receive under this title. Such estimates shall take into account the extent (if any) to which any previous estimate of the amount to be paid such agency under this title (whether or not in the same fiscal year) was greater or less than the amount which should have been paid to it. Such payments shall be made through the disbursing facilities of the Department of the Treasury and prior to audit or settlement by the General Accounting Office. Sums appropriated pursuant to this title for any fiscal year shall remain available, for obligation and payments with respect to amounts due local educational agencies under this title for such year, until the close of the following fiscal year.

ADJUSTMENTS WHERE NECESSITATED BY APPROPRIATIONS

(c)(1) If the funds appropriated for any fiscal year for making payments under this title are not sufficient to pay in full the total amounts which the Commissioner estimates all local educational agencies will be entitled to receive under this title for such year, the Commissioner (A) shall determine the part of the entitlement of each such local educational agency which is attributable to determinations under subsections (a) and (b) of section 3 of the number of children who resided on, or resided with a parent employed on, property which is part of a low-rent housing project assisted under the United States Housing Act of 1937, section 516 of the Housing Act of 1949, or part B of title III of the Economic Opportunity Act of 1964, and (B) except as otherwise provided in paragraph (3), shall allocate such funds, other than so much thereof as he estimates may be required for carrying out the provisions of section 6, among sections 2, 3, and 4(a) in the proportion that the amount he estimates to be required under each such section bears to the total estimated to be required under all such sections, except that he shall not take into consideration any part of any entitlement determined under clause (A). The amount so allocated to any such section shall be available for payment of a percentage of the amount to which each local educational agency is entitled under such section. Such percentage shall be equal to the percentage which the amount allocated to a section under the second sentence of this paragraph is of the amount to which all such agencies are entitled under such section. For the purposes of this paragraph, in determining the amount to which each local educational agency is entitled under section 3 he shall include any increases under paragraph (4) of subsection (c) thereof; but he shall exclude any part of any entitlement determined under clause (A) of this paragraph.

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[1] For the purposes of section 5 of such Act of September 23, 1950, the number of children in the membership of a local educational agency residing in a low-rent housing project assisted under the United States Housing Act of 1937 during the years of the base period preceding the effective date provided in paragraph (1) shall be determined by the Commissioner on the basis of estimates. Paragraph (1) provides that the effective date for amendments made by P.L. 91–231, sec. 203(a)(6) is after June 30, 1970.

(2) If the funds available for allocation under paragraph (1) for any fiscal year exceed the amount necessary to fully satisfy entitlements for which allocations will be made under such paragraph, that excess shall be available for payment of a percentage of that part of the entitlement of each local educational agency determined under clause (A) of paragraph (1). Such percentage shall be equal to the percentage which the amount of such excess is of the total amount to which all such agencies are so entitled.

(3) All funds appropriated for making payments under this title for any fiscal year shall be allocated in the manner specified in paragraphs (1) and (2), unless an Act making appropriations for making payments under this title for any fiscal year specifically makes funds available for payments on the basis of entitlements determined under clause (A) of paragraph (1), apart from other payments under this title, in which case, if the funds so appropriated are not sufficient to pay in full the total amount to which all local educational agencies are so entitled, such funds shall be available for making payments in the manner specified in paragraph (2) respecting allocations of any excess appropriations.

(4) In case the amount allocated to a section under paragraph (1) for a fiscal year exceeds the total to which all local educational agencies are entitled under such section for such year or, in case additional funds become available for making payments under this title, the excess or such additional funds, as the case may be, shall be allocated among sections for which previous allocations are inadequate, on the same basis as is provided in paragraphs (1), (2), and (3) for the initial allocation.

ADJUSTMENTS FOR REDUCTION IN STATE AID[3]

(d) (a) The amount which a local educational agency in any State is otherwise entitled to receive under section 2, 3, or 4 for any fiscal year shall be reduced in the same proportion (if any) that the State has reduced for that year its aggregate expenditures (from non-Federal sources) per pupil for current expenditure purposes for free public education (as determined pursuant to regulations of the Commissioner) below the level of such expenditures per pupil in the second preceding fiscal year. The Commissioner may waive or reduce this reduction whenever in his judgment exceptional circumstances exist which would make its application inequitable and would defeat the purpose of this title.

(2) No payments may be made during any fiscal year to any local educational agency in any State which has taken into consideration payments under this title in determining the eligibility of any local educational agency in that State for State aid (as defined by regulation), or the amount of that aid, with respect to free public education during that year or the preceding fiscal year, or which makes such aid available to local educational agencies in such a manner as to result in less State aid to any local educational agency which is eligible for payments under this title than such local educational agency would receive if it were not so eligible.

(20 U.S.C. 240) Enacted Sept. 30, 1950, C. 1124, P.L. 874, 81st Cong., Title I, sec. 5, 64 Stat. 1106; amended Aug. 8, 1953, C. 402, P.L. 248, 83d Cong., secs. 6, 7, 67 Stat. 534; amended Aug. 3, 1956, C. 915, P.L. 949, 84th Cong., Title II, sec. 209, 70 Stat. 972; amended April 11, 1965, P.L. 89–10, Title I, sec. 2, 79 Stat. 27; amended Nov. 3, 1966, P.L. 89–750, Title II, secs. 202, 203, 80 Stat. 1211, 1212; amended Oct. 16, 1968, P.L. 90–576, Title III, sec. 305(a), 82 Stat. 1097; amended April 13, 1970, P.L. 91–230, Title II, sec. 203(c) (4), 84 Stat. 156.

CHILDREN FOR WHOM LOCAL AGENCIES ARE UNABLE TO PROVIDE EDUCATION

SEC. 6. (a) In the case of children who reside on Federal property—

(1) if no tax revenues of the State or any political subdivision thereof may be expended for the free public education of such children; or

(2) if it is the judgment of the Commissioner, after he has consulted with the appropriate State educational agency, that no local educational agency is able to provide suitable free public education for such children,

the Commissioner shall make such arrangements (other than arrangements with respect to the acquisition of land, the erection of facilities, interest, or debt service) as may be necessary to provide free public education for such children. Such arrangements to provide free public education may also be made for children of members of the Armed Forces on active duty, if the schools in which free public education is usually provided for such children are made unavailable to them as a result of official action by State or local governmental authority and it is the judgment of the Commissioner, after he has consulted with the appropriate State educational agency, that no local educational agency is able to provide suitable free public education for such children. To the maximum extent practicable, the local educational agency, or the head of the Federal department or agency, with which any arrangement is made under this section shall take such action as may be necessary to insure that the education provided pursuant to such arrangement is comparable to free public education provided for children in comparable communities in the State, or, in the case of education provided under this section outside the continental United States, Alaska, and Hawaii, comparable to free public education provided for children in the District of Columbia. For the purpose of providing such comparable education, personnel may be employed and the compensation, tenure, leave, hours of work, and other incidents of the employment relationship may be fixed without regard to the Civil Service Act and rules (5 U.S.C. 631 et seq.) and the following: (1) the Classification Act of 1949, as amended (5 U.S.C. 1071 et seq.); (2) the Annual and Sick Leave Act of 1951, as amended (5 U.S.C. 2061 et seq.); (3) the Federal Employees' Pay Act of 1945, as amended (5 U.S.C. 901 et seq.); (4) the Veterans' Preference Act of 1944, as amended (5 U.S.C. 851 et seq.); and (5) the Performance Rating Act of 1950, as amended (5 U.S.C. 2001 et seq.). In any case where education was being provided on January 1, 1955, or thereafter under an arrangement made under this subsection for children residing on an Army, Navy (including the Marine Corps), or Air Force installation, it shall be presumed, for the purposes of this subsection, that no local educational agency is able to provide suitable free public education for the children residing on such installation, until the Commissioner and the Secretary of the military department concerned jointly determine, after consultation with the appropriate State educational agency, that a local educational agency is able to do so.

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[3] **Par. (2) of subsec. (d) was added by sec. 305(a) of the Vocational Education Amendments of 1968 (P.L. 90–576). Subsec. (b) of sec. 305 of P.L. 90–576 states:**

"The amendments made by subsection (a) shall become effective with respect to each State on the first day of the first fiscal year which begins after the adjournment of the first complete legislative session (at which State aid may be considered) of such State's **legislature held after the date of enactment of this Act."**

(b) In any case in which the Commissioner makes such arrangements for the provision of free public education in facilities situated on Federal property, he may also make arrangements for providing free public education in such facilities for children residing in any area adjacent to such property with a parent who, during some portion of the fiscal year in which such education is provided, was employed on such property, but only if the Commissioner determines after consultation with the appropriate State educational agency (1) that the provision of such education is appropriate to carry out the purposes of this title, (2) that no local educational agency is able to provide suitable free public education for such children, and (3) in any case where in the judgment of the Commissioner the need for the provision of such education will not be temporary in duration, that the local educational agency of the school district in which such children reside, or the State educational agency, or both, will make reasonable tuition payments to the Commissioner for the education of such children. Such payments may be made either directly or through deductions from amounts to which the local educational agency is entitled under this title, or both, as may be agreed upon between such agency and the Commissioner. Any amounts paid to the Commissioner by a State or local educational agency pursuant to this section shall be covered into the Treasury as miscellaneous receipts.

(c) In any case in which the Commissioner makes arrangements under this section for the provision of free public education in facilities situated on Federal property in Puerto Rico, Wake Island, Guam, American Samoa, or the Virgin Islands, he may also make arrangements for providing free public education in such facilities for children residing with a parent employed by the United States, but only if the Commissioner determines after consultation with the appropriate State educational agency (1) that the provision of such education is appropriate to carry out the purposes of this title, and (2) that no local educational agency is able to provide suitable free public education for such children.

(d) The Commissioner may make an arrangement under this section only with a local educational agency or with the head of a Federal department or agency administering Federal property on which children reside who are to be provided education pursuant to such arrangement or, in the case of children to whom the second sentence of subsection (a) applies, with the head of any Federal department or agency having jurisdiction over the parents of some or all of such children. Except where the Commissioner makes arrangements pursuant to the second sentence of subsection (a), arrangements may be made under this section only for the provision of education in facilities of a local educational agency or in facilities situated on Federal property.

(e) To the maximum extent practicable, the Commissioner shall limit the total payments made pursuant to any such arrangement for educating children within the continental United States, Alaska, or Hawaii, to an amount per pupil which will not exceed the per pupil cost of free public education provided for children in comparable communities in the State. The Commissioner shall limit the total payments made pursuant to any such arrangement for educating children outside the continental United States, Alaska, or Hawaii, to an amount per pupil which will not exceed the amount he determines to be necessary to provide education comparable to the free public education provided for children in the District of Columbia.

(f)[4] If no tax revenues of a State or of any political subdivision of the State may be expended for the free public education of children who reside on any Federal property within the State, or if no tax revenues of a State are allocated for the free public education of such children, then the property on which such children reside shall not be considered Federal property for the purposes of sections 3 and 4 of this Act. If a local educational agency refuses for any other reason to provide in any fiscal year free public education for children who reside on Federal property which is within the school district of that agency or which, in the determination of the Commissioner, would be within that school district if it were not Federal property, there shall be deducted from any amount to which the local educational agency is otherwise entitled for that year under section 3 or 4 an amount equal to (1) the amount (if any) by which the cost to the Commissioner of providing free public education for that year for each such child exceeds the local contribution rate of that agency for that year, multiplied by (2) the number of such children.

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[4] Sec. 202 of P.L. 90–247 provides that this subsection shall not be effective for fiscal years beginning prior to June 30, 1969.

(20 U.S.C. 241) Enacted Sept. 30, 1950, C. 1124, P.L. 874, 81st Cong., sec. 6, 64 Stat. 1107; amended Aug. 8, 1953, C. 402, P.L. 248, 83d Cong., sec. 8, 67 Stat. 535; amended Aug. 1, 1955, C. 446, P.L. 204, 84th Cong., 69 Stat. 433; amended Aug. 1, 1956, C. 852, P.L. 896, 84th Cong., sec. 10, 70 Stat. 909; amended May 6, 1960, P.L. 86–449, Title V, sec. 501, 74 Stat. 89; amended April 11, 1965, P.L. 89–10, Title I, secs. 2, 4(d) (2), 79 Stat. 27, 35; amended July 21, 1965, P.L. 89–77, sec. 2, 79 Stat. 243; amended Nov. 3, 1966, P.L. 89–750, Title II, sec. 204, 80 Stat. 1212; subsection (g) repealed April 13, 1970, P.L. 91–230, Title IV, sec. 401(f)(1) and superseded by sec. 422 of P.L. 90–247, Title IV, as amended (20 U.S.C. 1232a).

ASSISTANCE FOR CURRENT SCHOOL EXPENDITURES IN CASES OF CERTAIN DISASTERS

SEC. 7. (a) In any case in which—

(1)(A) the Director of the Office of Emergency Planning determines with respect to any local educational agency (including for the purpose of this section any other public agency which operates schools providing technical, vocational, or other special education to children of elementary or secondary school age) that such agency is located in whole or in part within an area which after August 30, 1965, and prior to July 1, 1973, has suffered a major disaster as the result of any flood, drought, fire, hurricane, earthquake, storm, or other catastrophe which, in the determination of the President pursuant to section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a)), is or threatens to be of sufficient severity and magnitude to warrant disaster assistance by the Federal Government; or

(B) the Commissioner determines with respect to any such agency that public elementary or secondary school facilities of such agency have been destroyed or seriously damaged as a result of flood, hurricane, earthquake, storm, fire, or other catastrophe, except any such catastrophe caused by negligence or malicious action; and

(2) the Governor of the State in which such agency is located has certified the need for disaster assistance under this section, and has given assurance of expenditure of a reasonable amount of the funds of the government of such State, or of any political subdivision thereof, for the same or similar purposes with respect to such catastrophe;

and if the Commissioner determines with respect to such agency that—

(3) such agency is utilizing or will utilize all State and other financial assistance available to it for the purpose of meeting the cost of providing free public education for the children attending the schools of such agency, but as a result of such disaster it is unable to obtain sufficient funds for such purpose and requires an amount of additional assistance equal to at least $1,000 or one-half of 1 per centum of such agency's current operating expenditures during the fiscal year preceding the one in which such disaster occurred, whichever is less, and

(4) in the case of any such major disaster to the extent that the operation of private elementary and secondary schools in the school attendance area of such local educational agency has been

disrupted or impaired by such disaster, such local educational agency has made provisions for the conduct of educational programs under public auspices and administration in which children enrolled in such private elementary and secondary schools may attend and participate: *Provided*, That nothing contained in this Act shall be construed to authorize the making of any payment under this Act for religious worship or instruction,

the Commissioner may provide to such agency the additional assistance necessary to provide free public education to the children attending the schools of such agency, upon such terms and in such amounts (subject to the provisions of this section) as the Commissioner may consider to be in the public interest. Such additional assistance may be provided for a period not greater than a five-fiscal-year period beginning with the fiscal year in which it is determined pursuant to clause (1) of this subsection that such agency suffered a disaster. The amount so provided for any fiscal year shall not exceed the amount which the Commissioner determines to be necessary to enable such agency, with the State, local, and other Federal funds available to it for such purpose, to provide a level of education equivalent to that maintained in the schools of such agency prior to the occurrence of such disaster, taking into account the additional costs reasonably necessary to carry out the provisions of clause (4) of this subsection. The amount, if any, so provided for the second, third, and fourth fiscal years following the fiscal year in which it is so determined that such agency has suffered a disaster shall not exceed 75 per centum, 50 per centum, and 25 per centum, respectively, of the amount so provided for the first fiscal year following such determination.

(b) In addition to and apart from the funds provided under subsection (a), the Commissioner is authorized to provide to such agency an amount which he determines to be necessary to replace instructional and maintenance supplies, equipment, and materials (including textbooks) destroyed or seriously damaged as a result of such disaster, to make minor repairs, and to lease or otherwise provide (other than by acquisition of land or erection of facilities) school and cafeteria facilities needed to replace temporarily such facilities which have been made unavailable as a result of the disaster.

(c) There is hereby authorized to be appropriated for each fiscal year such amounts as may be necessary to carry out the provisions of this section. Pending such appropriation, the Commissioner may expend (without regard to subsections (a) and (e) of section 3679 of the Revised Statutes (31 U.S.C. 665)) from any funds heretofore or hereafter appropriated for expenditure in accordance with other sections of this Act, such sums as may be necessary for immediately providing assistance under this section, such appropriations to be reimbursed from the appropriations authorized by this subsection when made.

(d) No payment may be made to any local educational agency under this section except upon application therefor which is submitted through the appropriate State educational agency and is filed with the Commissioner in accordance with the regulations prescribed by him. In determining the order in which such applications shall be approved, the Commissioner shall consider the relative educational and financial needs of the local educational agencies which have submitted approvable applications.

(e) Amounts paid by the Commissioner to local educational agencies under this section may be paid in advance or by way of reimbursement and in such installments as the Commissioner may determine. Any funds paid to a local educational agency and not expended or otherwise used for the purposes for which paid shall be repaid to the Treasury of the United States.

(20 U.S.C. 241-1) Enacted Nov. 1, 1965, P.L. 89-313, sec. 2, 79 Stat. 1159; amended Jan. 2, 1968, P.L. 90-247, Title II, sec. 218, 81 Stat. 811; amended April 13, 1970, P.L. 91-230, Title II, sec. 201(c), 84 Stat. 154.

Title II—Financial Assistance to Local Educational Agencies for the Education of Children of Low-Income Families

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(NOTE.—This title was added by Title I of the Elementary and Secondary Education Act of 1965, and is cited as such; see page 23).

Title III—General

ADMINISTRATION

SEC. 301.[11]

(a) (Repealed).

(b) The Commissioner shall administer this Act, and he may make such regulations and perform such other functions as he finds necessary to carry out the provisions of this Act.

(c) The Commissioner shall include in his annual report to the Congress a full report of the administration of his functions under this Act, including a detailed statement of receipts and disbursements.

(20 U.S.C. 242) Enacted Sept. 30, 1950, C. 1124, P.L. 874, 81st Cong., Title III, sec. 301, formerly sec. 7, 64 Stat. 1107; redesignated April 11, 1965, P.L. 89-10, Title I, sec. 3(c)(1), 79 Stat. 35; amended Nov. 3, 1966, P.L. 89-750, Title II, sec. 205, 80 Stat. 1212; subsection (a) repealed April 13, 1970, P.L. 91-230, Title IV, sec. 401(f)(1) and superseded by sec. 422 of P.L. 90-247, Title IV, as amended (20 U.S.C. 1232a).

USE OF OTHER FEDERAL AGENCIES; TRANSFER AND AVAILABILITY OF APPROPRIATIONS

SEC. 302. (a) In carrying out his functions under this Act, the Commissioner is authorized, pursuant to proper agreement with any other Federal department or agency, to utilize the services and facilities of such department or agency, and, when he deems it necessary or appropriate, to delegate to any officer or employee thereof the function under section 6 of making arrangements for providing free public education. Payment to cover the cost of such utilization or of carrying out such delegated function shall be made either in advance or by way of reimbursement, as may be provided in such agreement.

(b) All Federal departments or agencies administering Federal property on which children reside, and all such departments or agencies principally responsible for Federal activities which may occasion assistance under title I, shall to the maximum extent practicable comply with requests of the Commissioner for information he may require in carying out the purposes of title I.

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[11] Title III and section 301 of the Act of Sept. 30, 1950, P.L. 81-874. References in this title to Title I of the Elementary and Secondary Education Act of 1965, are to its original designation on enactment, "Title II" of Public Law 81-874.

Provisions of this title (as well as provisions of other acts) repealed by P.L. 91-230 are superseded by provisions of the General Education Provisions Act, as added by Title IV of P.L. 91-230, amendments to Title IV of P.L. 90-247.

(c) Such portion of the appropriations of any other department or agency for the fiscal year ending June 30, 1951, as the Director of the Bureau of the Budget determines to be available for the same purposes as title I, shall, except to the extent necessary to carry out during such year contracts made prior to the enactment of title I, be transferred to the Commissioner for use by him in carrying out such purposes.

(d) No appropriation to any department or agency of the United States, other than an appropriation to carry out this Act, shall be available for the employment of teaching personnel for the provision of free public education for children in any State or for payments to any local educational agency (directly or through the State educational agency) for free public education for children, except that nothing in the foregoing provisions of this subsection shall affect the availability of appropriations for the maintenance and operation of school facilities (1) on Federal property under the control of the Atomic Energy Commission or (2) by the Bureau of Indian Affairs, or the availability of appropriations for the making of payments directed to be made by section 91 of the Atomic Energy Community Act of 1955, as amended, or the availability of appropriations under the Act of April 16, 1934, commonly referred to as the Johnson-O'Malley Act (25 U.S.C., sec. 452).

(20 U.S.C. 243) Enacted Sept. 30, 1950, C. 1124, P.L. 874, 81st Cong., Title III, sec. 302, formerly sec. 8, 64 Stat. 1108; amended Aug. 8, 1953, C. 402, P.L. 248, 83d Cong., sec. 9, 67 Stat. 536; amended Aug. 4, 1955, C. 543, C. 11, P.L. 221, 84th Cong., sec. 202, 69 Stat. 485; amended Aug. 12, 1955, C. 868, P.L. 382, 84th Cong., sec. 1, 69 Stat. 713; amended Aug. 3, 1956, C. 915, P.L. 949, 84th Cong., Title II, sec. 210, 70 Stat. 972; amended Aug. 12, 1958, P.L. 85–620, Title II, sec. 204, 72 Stat. 560; redesignated, and amended April 11, 1965, P.L. 89–10, Title I, sec. 3(c), 79 Stat. 35; amended April 13, 1970, P.L. 91–230, Title IV, Sec. 401(c) 84 Stat. 173. Repealed provision superseded by Sec. 411 of P.L. 91–247, Title IV, as amended (20 U.S.C. 1231(a)).

DEFINITIONS

Sec. 303. For the purposes of this Act—

(1) The term "Federal property" means real property which is owned by the United States or is leased by the United States, and which is not subject to taxation by any State or any political subdivision of a State or by the District of Columbia. Such term includes (A) except for purposes of section 6, real property held in trust by the United States for individual Indians or Indian tribes, and real property held by individual Indians or Indian tribes which is subject to restrictions on alienation imposed by the United States, (B) for one year beyond the end of the fiscal year in which occurred the sale or transfer thereof by the United States, any property considered prior to such sale or transfer to be Federal property for the purposes of this Act, (C) any low-rent housing (whether or not owned by the United States) which is part of a low-rent housing project assisted under the United States Housing Act of 1937, section 516 of the Housing Act of 1949, or part B of title III of the Economic Opportunity Act of 1964, and (D) any school which is providing flight training to members of the Air Force under contractual arrangements with the

Department of the Air Force at an airport which is owned by a State or a political subdivision of a State. Such term also includes any interest in Federal property (as defined in the foregoing provisions of this paragraph) under an easement, lease, license, permit, or other arrangement, as well as any improvements of any nature (other than pipelines or utility lines) on such property even though such interests or improvements are subject to taxation by a State or political subdivision of a State or by the District of Columbia. Notwithstanding the foregoing provisions of this paragraph, such term does not include any real property under the jurisdiction of the Post Office Department and used primarily for the provision of postal services.[3]

(2) The term "child" except as used in title II, means any child who is within the age limits for which the applicable State provides free public education.

(3) The term "parent" includes a legal guardian or other person standing in loco parentis.

(4) The term "free public education" means education which is provided at public expense, under public supervision and direction, and without tuition charge, and which is provided as elementary or secondary school education in the applicable State, except that for the purposes of title II such term does not include any education provided beyond grade 12.

(5) The term "current expenditures" means expenditures for free public education, including expenditures for administration, instruction, attendance and health services, pupil transportation services, operation and maintenance of plant, fixed charges, and net expenditures to cover deficits for food services and student body activities, but not including expenditures for community services, capital outlay, and debt service, or any expenditures made from funds granted under title II of this Act or title II or III of the Elementary and Secondary Education Act of 1965.

(6)(A) For purposes of title I, the term "local educational agency" means a board of education or other legally constituted local school authority having administrative control and direction of free public education in a county, township, independent, or other school district located within a State. Such term includes any State agency which directly operates and maintains facilities for providing free public education.

(B) For purposes of title II, the term "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools. Such term includes any other public institution or agency having administrative control and direction of a public elementary or secondary school, and it also includes (except for purposes of sections 203(a)(2), 203(b), and 205(a)(1)) any State agency which is directly responsible for providing free public education for handicapped children (including mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, crippled, or other health impaired children who by reason thereof require special education) or for children in institutions for neglected or delinquent children.

(7) The term "State educational agency" means the officer or agency primarily responsible for the State supervision of public elementary and secondary schools.

(8) The term "State" means a State, Puerto Rico, Wake Island, Guam, the District of Columbia, American Samoa, or the Virgin Islands, and for purposes of title II, such term includes the Trust Territory of the Pacific Islands.

(9) The terms "Commissioner of Education" and "Commissioner" mean the United States Commissioner of Education.

(10) Average daily attendance shall be determined in accordance with State law, except that (A) the average daily attendance of children with respect to whom payment is to be made under section 3 or 4 of this Act shall be determined in accordance with regulations of the Commissioner, and (B) notwithstanding any other provision of this Act, where the local educational agency of the school district in which any child resides makes or contracts to make a tuition payment for the free public education of such child in a school situated in another school district, for purposes of this Act the attendance of such child at such school shall be held and considered (i) to be attendance at a school of the local educational agency so making or contracting to make such tuition payment, and (ii) not to be attendance at a school of the local educational agency receiving such tuition payment or entitled to receive such payment under the contract.

(11) The term "county" means those divisions of a State utilized by the Secretary of Commerce in compiling and reporting data regarding counties.

(12) The term "construction" includes the preparation of drawings and specifications for school facilities; erecting, building, acquiring, altering, remodeling, improving, or extending school facilities; and the inspection and supervision of the construction of school facilities.

(13) The term "school facilities" means classrooms and related facilities (including initial equipment) for free public education and interests in land (including site, grading, and improvements) on which such facilities are constructed, except that such term does not include those gymnasiums and similar facilities intended primarily for exhibitions for which admission is to be charged to the general public.

(14) The term "equipment" includes machinery, utilities, and built-in equipment and any necessary enclosures or structures to house them, and includes all other items necessary for the functioning of a particular facility as a facility for the provision of educational services, including items such as instructional equipment and necessary furniture, printed, published, and audio-visual instructional materials, and books, periodicals, documents, and other related materials.

(15) For the purpose of title II, the term "elementary school" means a day or residential school which provides elementary education, as determined under State law, and the term "secondary school" means a day or residential school which provides secondary education, as determined under State law, except that it does not include any education provided beyond grade 12.

(20 U.S.C. 244) Enacted Sept. 30, 1950, C. 1124, P.L. 874, 81st Cong., Title III, sec. 303, formerly sec. 9, 64 Stat. 1108; amended Aug. 8, 1953, C. 402, P.L. 248, 83d

Cong. sec. 10, 67 Stat. 536; amended Aug. 1, 1956, P.L. 896, 84th Cong., sec. 10, 70 Stat. 909; amended Aug. 3, 1956, C. 915, P.L. 949, 84th Cong., Title II, sec. 211, 70 Stat. 972; amended Aug. 12, 1958, P.L. 85–620, Title II, sec. 205, 72 Stat. 560; amended June 25, 1959, P.L. 86–70, sec. 18(d)(4), 73 Stat. 145; amended July 12, 1960, P.L. 86–624, sec. 14(d)(4), 74 Stat. 414; amended Oct. 16, 1964, P.L. 88–665, Title XI, sec. 1102(b), 78 Stat. 1109; redesignated and amended April 11, 1965, P.L. 89–10, Title I, secs. 3(c)(1), 4(a)-(c), (d)(1), (e), 79 Stat. 35; amended Nov. 1, 1965, P.L. 89–313, sec. 6(c), 79 Stat. 1162; amended Nov. 3, 1966, P.L. 89–750, Title I, sec. 117(a)(1), (b) 80 Stat. 1198, 1199, Title II, sec. 206, 80 Stat. 1213; amended Jan. 2, 1968, P.L. 90–247, Title II, sec. 201, 81 Stat. 806; amended Apr. 13, 1970, P.L. 91–230, Title II, sec. 203(b), 84 Stat. 156. Amendments effective after June 30, 1970.

LEGISLATIVE HISTORY

(P.L. 874, 81st Cong.)

House Reports No. 2287 (Committee on Education and Labor) and No. 3109 (committee on conference).
Senate Report No. 2458 (Committee on Labor and Public Welfare).
Congressional Record, 1950:
  July 30: Passed House.
  September 13: Passed Senate.
  September 18: Senate agreed to conference report.
  September 20: House agreed to conference report.
Approved: September 30, 1950.

(P.L. 248, 83d Cong.)

House Reports No. 703 (Committee on Education and Labor) and No. 1092 (committee on conference).
Senate Report 714 (Committee on Labor and Public Welfare).
Congressional Record (1953):
  July 14: Passed House.
  August 1: Passed Senate.
  August 3: House agreed to conference report.
  August 3: Senate agreed to conference report.
Approved: August 8, 1953.

(P.L. 732, 83d Cong.)

Senate Report No. 2204.
Congressional Record (1954):
  August 11: Passed Senate.
  August 16: Passed House.
Approved: August 31, 1954.

(P.L. 382, 84th Cong.)

House Report No. 1441.
Congressional Record (1955):
  July 30: Passed House.
  July 30: Passed Senate.
Approved: August 12, 1955.

(P.L. 949, 84th Cong.)

House Report No. 2357 (Committee on Education and Labor).
Senate Report No. 2753 (Committee on Education and Public Welfare).
Congressional Record (1956):
  July 7: Passed House.
  July 23: Passed Senate with amendement.
  July 25: House agreed to Senate amendment.
Approved: August 3, 1956.

(P.L. 85–620)

House Report No. 1532 (Committee on Education and Labor).
Senate Report No. 1929 (Committee on Labor and Public Welfare).
Congressional Record (1958):

April 23 : Passed House.
July 28 : Passed Senate with amendment.
July 29 : House concurs in Senate amendment.
Approved : August 12, 1958.

(P.L. 86–70)

House Report No. 369 (Committee on Interior and Insular Affairs).
Senate Report No. 331 (Committee on Interior and Insular Affairs).
Congressional Record (1959) :
June 1 : Passed House.
June 3 : Passed Senate.
June 11 : House agreed to Senate amendment with amendment.
June 12 : Senate agreed to House amendment.
Approved : June 25, 1959.

(P.L. 86–449)

House Report No. 956 (Committee on Judiciary).
Senate Report No. 1241 (Committee on Judiciary).
Congressional Record (1960) :
March 24 : Passed House.
April 8 : Passed Senate.
Approved : May 6, 1960.

(P.L. 87–344)

Senate Report No. 743 (Committee on Labor and Public Welfare).
Congressional Record (1961) :
September 6 : Committee discharged, rules suspended, and passed House.
September 12 : Passed Senate.
Approved : October 3, 1961.

(P.L. 88–210)

House Reports No. 393 (Committee on Education and Labor) ; No. 1025 (committee of conference).
Senate Report 533 (Committee on Labor and Public Welfare).
Congressional Record (1963) :
August 6 : Passed House.
October 8 : Passed Senate.
December 12 : House agreed to conference report.
Approved : December 18, 1963.

(P.L. 88–665)

Senate Report No. 1275 (Committee on Labor and Public Welfare).
House Report No. 1916 (committee of conference).
Congressional Record (1964) :
August 1 : Passed Senate.
August 14 : Passed House.
October 1 : House agreed to conference report.
October 2 : Senate agreed to conference report.
Approved : October 16, 1964.

(P.L. 89–10)

House Report 143 (Committee on Education and Labor).
Senate Report 146 (Committee on Labor and Public Welfare).
Congressional Record, volume 111 (1935).
March 24–25 : Considered in House.
March 26 : Considered and passed House.
April 6–8 : Considered in Senate.
April 9 : Considered and passed Senate.
Approved : April 11, 1965.

(P.L. 89–77)

House Report 164 (Committee on Education and Labor).
Senate Report 311 (Committee on Labor and Public Welfare).
Congressional Record, volume 111 (1965) :
March 15 : Considered and passed House.
June 11 : Considered and passed Senate.
July 6 : House concurred in Senate amendments.
Approved : July 21, 1965.

(P.L. 89-313)

House Report No. 587 (Committee on Education and Labor).
Senate Report No. 783 (Committee on Labor and Public Welfare).
Congressional Record (1965):
August 30: Considered and passed House.
October 1: Considered and passed Senate, amended.
October 13: House concurred in Senate amendments with an amendment.
October 15: Senate concurred in House amendment.
Approved: November 1, 1965.

(P.L. 89-750)

House Reports: No. 1814, 1814 pt. II (Committee on Education and Labor), and No. 2309 (committee of conference).

Senate Report No. 1674 accompanying S. 3046 (Committee on Labor and Public Welfare).

Congressional Record, volume 112 (1966):
October 5: Considered in House.
October 6: Considered and passed House.
October 5-6: S. 3046 considered and passed Senate.
October 7: Considered and passed Senate, amended, in lieu of S. 3046.
October 19: Senate agreed to conference report.
October 20: House agreed to conference report.
Approved: November 3, 1966.

(P.L. 90-247)

House Reports No. 188 (Committee on Education and Labor) and No. 1049 (committee of conference).

Senate Report No. 726 (Committee on Labor and Public Welfare).
Congressional Record, volume 113 (1967):
May 22-24: Considered and passed House.
December 1, 4-8, 11: Considered and passed Senate amended.
December 15: House and Senate agreed to conference report.
Approved: January 2, 1968.

(P.L. 90-576)

House Reports No. 1647 (Committee on Education and Labor) and No. 1938 (committee of conference).

Senate Report No. 1386 accompanying S. 3770 (Committee on Labor and Public Welfare).

Congressional Record, volume 114 (1968):
July 15: Considered and passed House.
July 15, 17: Considered and passed Senate, amended, in lieu of S. 3770.
October 1, 2: Senate considered and agreed to conference report.
October 3: House agreed to conference report.
Approved: October 16, 1968.

(P.L. 91-230)

House Reports: No. 91-114 (Committee on Education and Labor) and No. 91-937 (committee of conference).

Senate Report No. 91-634 (Committee on Labor and Public Welfare).

Congressional Record: House volume 115 (1969): April 23, considered and passed.

Vol. 116 (1970):
February 4-6, 9, 10, 16-18, considered in Senate.
February 19, considered and passed Senate, amended.
March 24, 25, Senate considered conference report.
April 1, Senate agreed to conference report.
April 7, House agreed to conference report.
Approved: April 13, 1970.

School Construction in Areas Affected by Federal Activities

(P.L. 815, 81st Congress)

AN ACT Relating to the construction of school facilities in areas affected by Federal activities, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress asembled,

PURPOSE AND APPROPRIATION

SECTION 1. The purpose of this Act is to provide assistance for the construction of urgently needed minimum school facilities in school districts which have had substantial increases in school membership as a result of new or increased Federal activities. There are hereby authorized to be appropriated for the fiscal year ending June 30, 1959, and each fiscal year thereafter, such sums as the Congress may determine to be necessary for such purpose. Sums so appropriated, other than sums appropriated for administration, shall remain available until expended.

(20 U.S.C. 631) Similar provision enacted Aug. 8, 1953, P.L. 246, 83d Cong., sec. 1, 67 Stat. 522 as Title III, sec. 301. P.L. 815, 1st Cong. Enacted Aug. 12. 1958, P.L. 85–620, Title I, sec. 101, 72 Stat. 548.

PORTION OF APPROPRIATIONS AVAILABLE FOR PAYMENTS

SEC. 2. For each fiscal year the Commissioner shall determine the portion of the funds appropriated pursuant to section 1 which shall be available for carrying out the provisions of sections 9 and 10. The remainder of such funds shall be available for paying to local educational agencies the Federal share of the cost of projects for the construction of school facilities for which applications have been approved under section 6.

(20 U.S.C. 632) Similar provision enacted Aug. 8, 1953, P.L. 246, 83d Cong., sec. 1, 67 Stat. 522 as Title III, sec. 302, P.L. 815, 81st Cong. Enacted Aug. 12, 1958, P.L. 85–620, Title I, sec. 101, 72 Stat. 548.

ESTABLISHMENT OF PRIORITIES

SEC. 3. The Commissioner shall from time to time set dates by which applications for payments under this Act with respect to construction projects must be filed, except that the last such date with respect to applications for payments on account of children referred to in paragraphs (2) or (3) of section 5(a) shall be not later than June 30, 1973. The Commissioner shall by regulation prescribe an order of priority, based on relative urgency of need, to be followed in approving applications in the event the funds appropriated under this Act and remaining available on any such date for payment to local educational agencies are less than the Federal share of the cost of the projects with respect to which applications have been filed prior to such date (and for which funds under this Act have not already been obligated). Only applications meeting the conditions for approval under this Act (other than section 6(b)(2)(C)) shall be considered applications for purposes of the preceding sentence.

(20 U.S.C. 633) Similar provisions enacted Aug. 8, 1953, P.L. 246, 83d Cong., sec. 1, 67 Stat. 522 as Title III, sec. 303, P.L. 815, 81st Cong. Enacted Aug 12, 1958, P.L. 85–620, Title I, sec. 101, 72 Stat. 548; amended Oct. 3, 1961, P.L. 87–344, Title I, sec. 101(a), 75 Stat. 759; amended Dec. 18, 1963, P.L. 88–210, Title III, sec. 301(a), formerly sec. 301(a), 77 Stat. 419; amended Oct. 16, 1964, P.L. 88–665, Title XI, sec. 1101(a), 78 Stat. 1109; amended Nov. 3, 1966, P.L. 89–750, Title II, sec. 221, 80 Stat. 1213; amended Jan. 2, 1968, P.L. 90–247, Title III, sec. 301(d)(1), 81 Stat. 813; redesignated Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(a)(1), 82 Stat. 1064; amended April 13, 1970, P.L. 91–230, Title II, sec. 201(a)(1), 84 Stat. 154, 156.

FEDERAL SHARE FOR ANY PROJECT

SEC. 4. Subject to section 5 (which imposes limitations on the total of the payments which may be made to any local educational agency), the Federal share of the cost of a project under this Act shall be equal to such cost, but in no case to exceed the cost, in the school district of the applicant, of constructing minimum school facilities, and in no case to exceed the cost in such district of constructing minimum school facilities for the estimated number of children who will be in the membership of the schools of such agency at the close of the second year following the increase period and who will otherwise be without such facilities at such time. For the purposes of the preceding sentence, the number of such children who will otherwise be without such facilities at such time shall be determined by reference to those facilities which (1) are built or under contract as of the date on which the Commissioner set, under section 3, the earliest date on or before which the application for such project was filed, or (2) as of the date the application for such project is approved, are included in a project the application for which has been approved under this Act.

(20 U.S.C. 634) Similar provision enacted Aug. 8, 1953, P.L. 246, 83d Cong., sec. 1, 67 Stat. 522, as Title III, sec. 304, P.L. 815, 81st Cong. Enacted Aug. 12, 1958, P.L. 85–620, Title I, sec. 101, 72 Stat. 549; amended Nov. 3, 1966, P.L. 89–750, Title II, sec. 224, 80 Stat. 1214.

LIMITATION ON TOTAL PAYMENTS TO ANY LOCAL EDUCATIONAL AGENCY

SEC. 5. (a) Subject to the limitations in subsections (c) and (d), the total of the payments to a local educational agency under this Act may not exceed the sum of the following:

(1) the estimated increase, since the base year, in the number of children residing on Federal property, (A) who so resided with a parent employed on Federal property (situated in whole or in part in the same State as the school district of such agency or within reasonable commuting distance from such school district), or (B) who had a parent who was on active duty in the uniformed services (as defined in section 102 of the Career Compensation Act of 1949), multiplied by 95 per centum of the average per pupil cost of constructing minimum school facilities in the State in which the school district of such agency is situated; and

(2) the estimated increase, since the base year, in the number of children (A) residing on Federal property, or (B) residing with a parent employed on Federal property (situated in whole or in part in the same State as the school district of such agency or

within reasonable commuting distance from such school district), or (C) who had a parent who was on active duty in the uniformed services (as defined in section 102 of the Career Compensation Act of 1949), multiplied by 50 per centum of the average per pupil cost of constructing minimum school facilities in the State in which the school district of such agency is situated; and

(3) the estimated increase, since the base year, in the number of children whose membership results directly from activities of the United States (carried on either directly or through a contractor), multiplied by 45 per centum of the average per pupil cost of constructing minimum school facilities in the State in which the school district of such agency is situated. For purposes of this paragraph, the Commissioner shall not consider as activities of the United States those activities which are carried on in connection with real property excluded from the definition of Federal property by the last sentence of paragraph (1) of section 15, but shall (if the local educational agency so elects pursuant to subsection (b)) consider as children whose membership results directly from activities of the United States children residing on Federal property or residing with a parent employed on Federal property; and

(4) for the fiscal year ending June 30, 1967, the estimated number of children, without regard to the limitation in subsection (d), whose membership in the schools of such local educational agency resulted from a change in residence from land transferred to Mexico as part of a relocation of an international boundary of the United States, multiplied by 50 per centum of the average per pupil cost of constructing minimum school facilities in the State in which the school district of such agency is situated; but if, by reason of any other provision of law, this clause is not considered in computing the maximum payments a local enducational agency may receive for the fiscal year ending June 30, 1967, the additional amount such agency would have been entitled to receive shall be added to such agency's entitlement for the first fiscal year for which funds appropriated to carry out this Act may be used for such purpose.

In computing for any local educational agency the number of children in an increase under paragraph (1), (2), or (3), the estimated number of children described in such paragraph who will be in the membership of the schools of such agency at the close of the increase period shall be compared with the estimated number of such children in the average daily membership of the schools of such agency during the base year.

(b) If two or more of the paragraphs of subsection (a) apply to a child, the local educational agency shall elect which of such paragraphs shall apply to such child, except that, notwithstanding the election of a local educational agency to have paragraph (2) apply to a child instead of paragraph (1), the determination of the maximum amount for such agency under subsection (a) shall be made without regard to such election.

(c) A local educational agency shall not be eligible to have any amount included in its maximum by reason of paragraph (1), (2), or (3) of subsection (a) unless the increase in children referred to in such paragraph, prior to the application of the limitation in subsection (d) is at least twenty and—

(1) in the case of paragraph (1) or (2), is—

(A) equal to at least 10 per centum of the number of all children who were in the average daily membership of the schools of such agency during the base year, or

(B) at least one thousand five hundred, whichever is the lesser; and

(2) In the case of paragraph (3), is—

(A) equal to at least 10 per centum of the number of all children who were in the average daily membership of the schools of such agency during the base year, or

(B) at least two thousand five hundred,

whichever is the lesser: *Provided*, That no local educational agency shall be regarded as eligible under this paragraph (2) unless the Commissioner finds that the construction of additional minimum school facilities for the number of children in such increase will impose an undue financial burden on the taxing and borrowing authority of such agency.

(d) If (1) the estimated number of nonfederally connected children who will be in the membership of the schools of a local educational agency at the close of the increase period is less than (2) 106 per centum of the number of such children who were in the average daily membership of such agency during the base year, the total number of children counted for purposes of subsection (a) with respect to such agency shall be reduced by the difference between (1) and (2) hereof, except that the number of children counted for the purposes of paragraph (1) or (2) of subsection (a) shall not be reduced by more than one thousand five hundred and that the number of children counted for the purposes of paragraph (3) of subsection (a) shall not be reduced by more than two thousand five hundred. For purposes of this subsection, all children in the membership of a local educational agency shall be counted as nonfederally connected children except children whose membership in the base year and increase period was compared in computing an increase which meets the requirements of subsection (c).

(e) Notwithstanding the provisions of subsections (c), (d), and (f) of this section, whenever and to extent that, in his judgment, exceptional circumstances exist which make such action necessary to avoid inequity and avoid defeating the purposes of this Act, the Commissioner may do any one or more of the following: (1) he may waive or reduce the minimum number requirement or any percentage requirement or requirements in subsection (c); (2) he may waive the requirement contained in the first sentence of subsection (d) or reduce the percentage specified in clause (2) of such sentence; or (3) he may waive or reduce the requirement contained in subsection (f).

(f) In determining under this section the total of the payments which may be made to a local educational agency on the basis of any application, the total number of children counted for purposes of paragraph (1), (2), or (3), as the case may be, of subsection (a) may not exceed—

(1) the number of children whose membership at the close of the increase period for the application is compared with membership in the base period for purposes of that paragraph, minus

(2) the number of such children whose membership at the close of the increase period was compared with membership in the base year for purposes of such paragraph under the last previous application, if any, of the agency on the basis of which any payment has been or may be made to that agency.

(20 U.S.C. 635) Similar provision enacted Aug. 8, 1953, P.L. 246, 83d Cong., sec. 1, 67 Stat. 523, as Title III, sec. 305, P.L. 815, 81st Cong. Enacted Aug. 12, 1958, P.L. 85–620, Title I, sec. 101, 72 Stat. 549; amended Nov. 1, 1965, P.L. 89–313, sec. 5, 79 Stat. 1161; amended Nov. 3, 1966, P.L. 89–750, Title II, secs. 222(a), (e), 223, 226, 227, 80 Stat. 1213–1215; amended Jan. 2, 1968, P.L. 90–247, Title II, sec. 205(b), 207, 81 Stat. 809; amended April 13, 1970, P.L. 91–230, Title II, sec. 203(a)(3), 204, 84 Stat. 155, 157; amended May 21, 1970, P.L. 90–260, 84 Stat. 254.

APPLICATIONS

SEC. 6. (a) No payment may be made to any local educational agency under this Act except upon application therefor which is submitted through the appropriate State educational agency and is filed with the Commissioner in accordance with regulations prescribed by him.

(b)(1) Each application by a local educational agency shall set forth the project for the construction of school facilities for such agency with respect to which it is filed, and shall contain or be supported by—

(A) a description of the project and the site therefor, preliminary drawings of the school facilities to be constructed thereon, and such other information relating to the project as may reasonably be required by the Commissioner;

(B) assurance that such agency has or will have title to the site, or the right to construct upon such site school facilities as specified in the application and to maintain such school facilities on such site for a period of not less than twenty years after the completion of the construction;

(C) assurance that such agency has legal authority to undertake the construction of the project and to finance any non-Federal share of the cost thereof as proposed, and assurance that adequate funds to defray any such non-Federal share will be available when needed;

(D) assurance that such agency will cause work on the project to be commenced within a reasonable time and prosecuted to completion with reasonable diligence;

(F) assurance that the school facilities of such agency will be available to the children for whose education contributions are provided in this Act on the same terms, in accordance with the laws of the State in which the school district of such agency is situated, as they are available to other children in such school district; and

(G) assurance that such agency will from time to time prior to the completion of the project submit such reports relating to the project as the Commissioner may reasonably require.

(2) The Commissioner shall approve any application if he finds (A) that the requirements of paragraph (1) have been met and that

approval of the project would not result in payments in excess of those permitted by sections 4 and 5, (B) after consultation with the State and local educational agencies, that the project is not inconsistent with overall State plans for the construction of school facilities, and (C) that there are sufficient Federal funds available to pay the Federal share of the cost of such project and of all other projects for which Federal funds have not already been obligated and applications for which, under section 3, have a higher priority: *Provided*, That the Commissioner may approve any application for payments under this Act at any time after it is filed and before any priority is established with respect thereto under section 3 if he determines that—

(i) on the basis of information in his possession, it is likely that the urgency of the need of the local educational agency is such that it would have a priority under section 3 which would qualify it for payments under this Act when such priorities are established, and

(ii) the number of children in the increase under section 5(a) is in large measure attributable to children who reside or will reside in housing newly constructed on Federal property.

(c) No application under this Act shall be disapproved in whole or in part until the Commissioner of Education has afforded the local educational agency reasonable notice and opportunity for hearing.

(20 U.S.C. 636) Provisions similar in part enacted Aug. 8, 1953, P.L. 246, 83d Cong., sec. 1, 67 Stat. 524, as Title III, sec. 303 of P.L. 815 81st Cong., Enacted Aug. 12, 1958, P.L. 85–620, Title I, sec. 101, 72 Stat. 551, as sec. 6, P.L. 815, 81st Cong.; subsection (b)(1)(E) repealed April 13, 1970, P.L. 91–230, Title IV, sec. 401(g)(4) and superseded by sec. 423 of P.L. 90–247, Title IV, as amended (20 U.S.C. 1232b).

PAYMENTS

Sec. 7. (a) Upon approving the application of any local educational agency under section 6, the Commissioner of Education shall pay to such agency an amount equal to 10 per centum of the Federal share of the cost of the project. After final drawings and specifications have been approved by the Commissioner of Education and the construction contract has been entered into, the Commissioner shall, in accordance with regulations prescribed by him and at such times and in such installments as may be reasonable, pay to such agency the remainder of the Federal share of the cost of the project.

(b) Any funds paid to a local educational agency under this Act and not expended for the purposes for which paid shall be repaid to the Treasury of the United States.

(20 U.S.C. 637) Similar provision enacted Aug. 8, 1953, P.L. 246, 83d Cong., sec. 1, 67 Stat. 525, as Title III, sec. 307 of P.L. 815, 81st Cong. Enacted Aug. 12, 1958, P.L. 85–620, Title I, sec. 101, 72 Stat. 552, as sec. 7, P.L. 815, 81st Cong.

ADDITIONAL PAYMENTS

Sec. 8. Not to exceed 10 per centum of the sums appropriated pursuant to this Act for any fiscal year (exclusive of any sums appropriated for administration) may be used by the Commissioner, under regulations prescribed by him, to make grants to local educational agencies where (1) the application of such agencies would be approved under this Act but for the agencies' inability, unless aided by such grants, to finance the non-Federal share of the cost of the projects set forth in their applications, or (2) although the applications of such agencies have been approved, the projects covered by such applications could not, without such grants, be completed, because of flood, fire, or similar emergency affecting either the work on the projects or the agencies' ability to finance the non-Federal share of the cost of the projects. Such grants shall be in addition to the payments otherwise provided under this Act, shall be made to those local educational agencies whose need for additional aid is the most urgent and acute, and insofar as practicable shall be made in the same manner and upon the same terms and conditions as such other payments.

(20 U.S.C. 638) Similar provision enacted Aug. 8, 1953, P.L. 246, 83d Cong., sec. 1, 67 Stat. 525, as Title III, sec. 308(a), P.L. 815, 81st Cong. Enacted Aug. 12, 1958, P.L. 85-620, Title I, sec. 101, 72 Stat. 552, as sec. 8 of P.L. 815, 81st Cong.

WHERE EFFECT OF FEDERAL ACTIVITIES WILL BE TEMPORARY

SEC. 9. Notwithstanding the preceding provisions of this Act, whenever the Commissioner determines that the membership of some or all of the children, who may be included in computing under section 5 the maximum on the total of the payments for any local educational agency, will be of temporary duration only, such membership shall not be included in computing such maximum. Instead, the Commissioner may make available to such agency such temporary school facilities as may be necessary to take care of such membership; or he may, where the local educational agency gives assurance that at least minimum school facilities will be provided for such children, pay (on such terms and conditions as he deems appropriate to carry out the purposes of this Act) to such agency for use in constructing school facilities an amount equal to the amount which he estimates would be necessary to make available such temporary facilities. In no case, however, may the amount so paid exceed the cost, in the school district of such agency of constructing minimum school facilities for such children. The Commissioner may transfer to such agency or its successor all the right, title, and interest of the United States in and to any temporary facilities made available to such agency under this section (or section 309 of this Act as in effect January 1, 1958); any such transfer shall be without charge, but may be made on such other terms and conditions, and at such time as the Commissioner deems appropriate to carry out the purposes of this Act.

(20 U.S.C. 639) Similar provision enacted Aug. 8, 1953, P.L. 246, 83d Cong., sec. 1, 67 Stat. 525, as Title III, sec. 309 of P.L. 815, 81st Cong. Enacted Aug. 12, 1958, P.L. 85-620, Title I, sec. 101, 72 Stat. 553, as sec. 9 of P.L. 815, 81st Cong.

CHILDREN FOR WHOM LOCAL AGENCIES ARE UNABLE TO PROVIDE EDUCATION

SEC. 10. (a) In the case of children who it is estimated by the Commissioner in any fiscal year will reside on Federal property at the end of the next fiscal year—

(1) if no tax revenues of the State or any political subdivision thereof may be expended for the free public education of such children; or

(2) if it is the judgment of the Commissioner, after he has consulted with the appropriate State educational agency, that no local educational agency is able to provide suitable free public education for such children,

the Commissioner shall make arrangements for constructing or otherwise providing the minimum school facilities necessary for the education of such children. In any case in which the Commissioner makes arrangements under this section for constructing or otherwise providing minimum school facilities situated on Federal property in Puerto Rico, Wake Island, Guam, or the Virgin Islands, he may also include minimum school facilities necessary for the education of children residing with a parent employed by the United States though not residing on Federal property, but only if the Commissioner determines, after consultation with the appropriate State educational agency, (1) that the construction or provision of such facilities is appropriate to carry out the purposes of this Act, (2) that no local educational agency is able to provide suitable free public education for such children, and (3) that English is not the primary language of instruction in schools in the locality. Such arrangements may also be made to provide, on a temporary basis, minimum school facilities for children of members of the Armed Forces on active duty, if the schools in which free public education is usually provided for such children are made unavailable to them as a result of official action by State or local governmental authority and it is the judgment of the Commissioner, after he has consulted with the appropriate State educational agency, that no local educational agency is able to provide suitable free public education for such children. To the maximum extent practicable school facilities provided under this section shall be comparable to minimum school facilities provided for children in comparable communities in the State. This section shall not apply (A) to children who reside on Federal property under the control of the Atomic Energy Commission, and (B) to Indian children attending federally operated Indian schools. Whenever it is necessary for the Commissioner to provide school facilities for children residing on Federal property under this section, the membership of such children may not be included in computing under section 5 the maximum on the total of the payments for any local educational agency.

(b) When the Commissioner determines it is in the interest of the Federal Government to do so, he may transfer to the appropriate local educational agency all the right, title, and interest of the United States in and to any facilities provided under this section (or sections 204 or 310 of this Act as in effect January 1, 1958). Any such transfer shall be without charge, but may be made on such other terms and conditions, and at such time as the Commissioner deems appropriate to carry out the purposes of this Act.

(c)[5] If no tax revenues of a State or of any political subdivision of the State may be expended for the free public education of children who reside on any Federal property within the State, or if no tax revenues of a State are allocated for the free public education of such children, then the property on which such children reside shall not be considered Federal property for the purposes of section 5 of this Act.

(20 U.S.C. 640) Similar provision enacted Aug. 8, 1953, P.L. 246, 83d Cong., sec. 1, 67 Stat. 526, as Title III, sec. 310 of P.L. 815, 81st Cong. Enacted Aug.

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[5] **This section is effective for fiscal years beginning after June 30, 1969.**

12, 1958, P.L. 85–620, Title I, sec. 101, 72 Stat. 553 as sec. 10 of P.L. 815, 81st Cong.; amended May 6, 1960, P.L. 86–449, Title V, sec. 502, 74 Stat. 89; amended July 21, 1965, P.L. 89–77, sec. 1, 79 Stat. 243; amended Nov. 3, 1966, P.L. 89–750, Title II, secs. 228, 229, 80 Stat. 1215; amended Jan. 2, 1968, P.L. 90–247, Title II, sec. 202, 81 Stat. 807.

WITHHOLDING OF PAYMENTS

SEC. 11. (a) Whenever the Commissioner of Education, after reasonable notice and opportunity for hearing to a local educational agency, finds (1) that there is a substantial failure to comply with the drawings and specifications for the project, (2) that any funds paid to a local educational agency under this Act have been diverted from the purposes for which paid, or (3) that any assurance given in an application is not being or cannot be carried out, the Commissioner may forthwith notify such agency that no further payment will be made under this Act with respect to such agency until there is no longer any failure to comply or the diversion or default has been corrected or, if compliance or correction is impossible, until such agency repays or arranges for the repayment of Federal moneys which have been diverted or improperly expended.

(b) The final refusal of the Commissioner to approve part or all of any application under this Act, and the Commissioner's final action under subsection (a) of this section, shall be subject to judicial review on the record, in the United States court of appeals for the circuit in which the local educational agency is located, in accordance with the provisions of the Administrative Procedure Act.

(20 U.S.C. 641) Provision similar to subsection (a) enacted Aug 8, 1953, P.L. 246, 83d Cong., sec. 1, 67 Stat. 526 as Title III, sec. 311 of P.L. 815, 81st Cong. Enacted Aug. 12, 1958, P.L. 85–620, Title I, sec. 101, 72 Stat. 554 as sec. 11 of P.L. 815, 81st Cong.

ADMINISTRATION

SEC. 12.

(b) The Commissioner of Education shall administer this Act, and he may make such regulations and perform such other functions as he finds necessary to carry out the provisions of this Act.

(c) The Commissioner shall include in his annual report to the Congress a full report of the administration of his functions under this Act, including a detailed statement of receipts and disbursements.

(20 U.S.C. 642) Similar provision enacted Sept. 23, 1950, P.L. 815, 81st Cong., Title II, sec. 208, 64 Stat. 975. Enacted Aug. 12, 1958, P.L. 85–620, Title I, sec. 101, 72 Stat. 554, as sec. 12 of P.L. 815, 81st Cong.; subsections (a) and (d) repealed April 13, 1970, P.L. 91–230, Title IV, sec. 401 (f)(3) and (g)(4), 84 Stat. 173, 174, and superseded by secs. 422 and 423 of P.L. 90–247, as amended (20 U.S.C. 1232a, 1232b).

USE OF OTHER FEDERAL AGENCIES: TRANSFER AND AVAILABILITY OF APPROPRIATIONS

SEC. 13.

(b) All Federal departments or agencies administering Federal property on which children reside, and all such departments or agencies principally responsible for Federal activities which may give rise to a need for the construction of school facilities, shall to the maximum extent practicable, comply with requests of the Commissioner for information he may require in carrying out the purposes of this Act.

(c) No appropriation to any department or agency of the United States, other than an appropriation to carry out this Act, shall be available for the same purpose as this Act; except that nothing in this subsection shall affect the availability of appropriations authorized, prior to September 23, 1950, for the construction of school facilities to be attended by Indian children, or appropriations (1) for the construction of school facilities on Federal property under the control of the Atomic Energy Commission, (2) for the construction of school facilities which are to be federally operated for Indian children, or (3) for the construction of school facilities under the Alaska Public Works Act, approved August 24, 1949.

(20 U.S.C. 643) Similar provisions enacted Sept. 23, 1950, P.L. 815, 81st Cong., Title I, sec. 105, and Title II, sec. 209, 64 Stat. 969, 975. Enacted Aug. 12, 1958, P.L. 85–620, Title I, sec. 101, 72 Stat. 554, as sec. 13 of P.L. 815, 81st Cong.; subsection (a) repealed April 13, 1970, P.L. 91–230, Title IV, sec. 401(c)(3), 84 Stat. 173, and superseded by sec. 411, P.L. 90–247, Title IV, as amended (20 U.S.C. 1231).

SCHOOL CONSTRUCTION ASSISTANCE IN OTHER FEDERALLY AFFECTED AREAS

SEC. 14. (a) If the Commissioner determines with respect to any local educational agency that—

(1) such agency is providing or, upon completion of the school facilities for which provision is made herein, will provide free public education for children who reside on Indian lands, and whose membership in the schools of such agency has not formed and will not form the basis for payments under other provisions of this Act, and that the total number of such children represents a substantial percentage of the total number of children for whom such agency provides free public education, or that such Indian lands constitute a substantial part of the school district of such local educational agency, or that the total number of such children who reside on Indian lands located outside the school district of such agency equals or exceeds 100;

(2) the immunity of such Indian lands to taxation by such agency has created a substantial and continuing impairment of its ability to finance needed school facilities;

(3) such agency is making a reasonable tax effort and is exercising due diligence in availing itself of State and other financial assistance available for the purpose; and

(4) such agency does not have sufficient funds available to it from other Federal, State, and local sources to provide the minimum school facilities required for free public education of a substantial percentage of the children in the membership of its schools,

he may provide the additional assistance necessary to enable such agency to provide such facilities, upon such terms and in such amounts (subject to the provisions of this section) as the Commissioner may consider to be in the public interest; but such additional assistance may not exceed the portion of the cost of such facilities which the Commissioner estimates has not been, and is not to be, recovered by the local educational agency from other sources, including payments by the United States under any other provisions of this Act or any other law. Notwithstanding the provisions of this subsection, the Commissioner may waive the percentage requirement in paragraph

(1) whenever, in his judgment, exceptional circumstances exist which make such action necessary to avoid inequity and avoid defeating the purposes of this section. Assistance may be furnished under this subsection without regard to paragraph (2) (but subject to the other provisions of this subsection and subsection (e)) to any local educational agency which provides free public education for children who reside on Indian lands located outside its school district. For purposes of this subsection "Indian lands" means Indian reservations or other real property referred to in the second sentence of section 15(1).

(b) If the Commissioner determines with respect to any local educational agency that—

(1) such agency is providing or, upon completion of the school facilities for which provision is made herein, will provide free public education for children who reside on Indian lands, and whose membership in the schools of such agency has not formed and will not form the basis for payments under other provisions of this Act, and that the total number of such children represents a substantial percentage of the total number of children for whom such agency provides free public education, or that such Indian lands constitute a substantial part of the school district of such local educational agency, or that the total number of such children who reside on Indian lands located outside the school district of such agency equals or exceeds one hundred; and

(2) the immunity of such Indian lands to taxation by such agency has created a substantial and continuing impairment of its ability to finance needed school facilities;

he may, upon such terms and in such amounts (subject to the provisions of this section) as the Commissioner may consider to be in the public interest, provide the additional assistance necessary to enable such agency to provide the minimum school facilities required for free public education of children in the membership of the schools of such agency who reside on Indian lands; but such additional assistance may not exceed the portion of the cost of constructing such facilities which the Commissioner estimates has not been, and is not to be, recovered by the local educational agency from other sources, including payments by the United States under any other provisions of this Act or any other law. Notwithstanding the provisions of this subsection, the Commissioner may waive the percentage requirement in paragraph (1) whenever, in his judgment, exceptional circumstances exist which make such action necessary to avoid inequity and avoid defeating the purposes of this section. Assistance may be furnished under this subsection without regard to paragraph (2) (but subject to the other provisions of this subsection and subsection (e)) to any local educational agency which provides free public education for children who reside on Indian lands located outside its school district. For purposes of this subsection "Indian lands" means Indian reservations or other real property referred to in the second sentence of section 15(1).

(d)[1] There are hereby authorized to be appropriated for each fiscal year such sums as may be necessary to carry out the provisions of this section. There are also authorized to be appropriated such sums as

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[1] Apparent error in P.L. 91–230, sec. 205. Subsection (c) should precede subsection (d) in this section.

may be necessary for administration of such provisions. Amounts so appropriated, other than amounts appropriated for administration, shall remain available until expended.

(c) If the Commissioner determines with respect to any local educational agency—

(1) that (A) such agency is providing or, upon completion of the school facilities for which provision is made herein, will provide, free public education for children who are inadequately housed by minimum school facilities and whose membership in the schools of such agency has not formed and will not form the basis for payments under other provisions of this Act, and (B) the total number of such children represents a substantial percentage of the total number of children for whom such agency provides free public education, and (C) Federal property constitutes a substantial part of the school district of such agency,

(2) that the immunity of such Federal property from taxation by such agency has created a substantial and continuing impairment of such agency's ability to finance needed school facilities,

(3) that such agency is making a reasonable tax effort and is exercising due diligence in availing itself of State and other financial assistance for the purpose, and

(4) that such agency does not have sufficient funds available to it from other Federal, State, and local sources to provide the minimum school facilities required for free public education of a substantial percentage of the children in the membership of its schools,

he may provide the assistance necessary to enable such agency to provide minimum school facilities for children in the membership of the schools of such agency whom the Commissioner finds to be inadequately housed, upon such terms and conditions, and in such amounts (subject to the applicable provisions of this section) as the Commissioner may consider to be in the public interest. Such assistance may not exceed the portion of the cost of such facilities which the Commissioner estimates has not been, and is not to be, recovered by the local educational agency from other sources, including payments by the United States under any other provisions of this Act or any other law. Notwithstanding the provisions of this subsection, the Commissioner may waive the percentage requirement in paragraph (1) whenever, in his judgment, exceptional circumstances exist which make such action necessary to avoid inequity and avoid defeating the purposes of this subsection.

(e) No payment may be made to any local educational agency under subsection (a) or (b) except upon application therefor which is submitted through the appropriate State educational agency and is filed with the Commissioner in accordance with regulations prescribed by him, and which meets the requirements of section 6(b)(1). In determining the order in which such applications shall be approved, the Commissioner shall consider the relative educational and financial needs of the local educational agencies which have submitted approvable applications and the nature and extent of the Federal responsibility. No payment may be made under subsection (a) or (b) unless the Commissioner finds, after consultation with the State and local educational agencies, that the project or projects with respect to which

it is made are not inconsistent with overall State plans for the construction of school facilities. All determinations made by the Commissioner under this section shall be made only after consultation with the appropriate State educational agency and the local educational agency.

(f) Amounts paid by the Commissioner to local educational agencies under subsection (a) or (b) may be paid in advance of, or by way of reimbursement for, work performed or purchases made pursuant to the agreement with the Commissioner under this section, and may be paid in such installments as the Commissioner may determine. Any funds paid to a local educational agency and not expended or otherwise used for the purposes for which paid shall be repaid to the Treasury of the United States.

(g) None of the provisions of sections 1 to 10, both inclusive, other than section 6(b) (1), shall apply with respect to determinations made under this section.

(h) It is hereby declared to be the policy of the Congress that the provision of assistance pursuant to subsections (a) and (b) of this section shall be given a priority at least equal to that given to payments made pursuant to section 10 of this Act.

(20 U.S.C. 644) Similar provisions enacted Aug. 8, 1953, P.L. 246, 83d Cong., sec. 1, 67 Stat. 526, as Title IV, sec. 401 of P.L. 815, 81st Cong. Enacted Aug 12. 1958, P.L. 85–620, Title I, sec. 101, 72 Stat. 555, as sec. 14 of P.L. 815, 81st Cong.; amended Oct. 3, 1961, P.L. 87–344, Title I, sec. 101(b), 75 Stat. 759; amended Dec. 18, 1963, P.L. 88–210, Title I, sec. 301(b), formerly sec. 31(b), 77 Stat. 419; amended Oct. 16, 1964, P.L. 88–665, Title XI, sec. 1101(b), 78 Stat. 1109; amended Nov. 3, 1966, P.L. 89–750, Title II, sec. 225, 80 Stat. 1214; amended Jan. 2, 1968, P.L. 90–247, Title II, sec. 203, 81 Stat. 807; redesignated Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(a)(1), 82 Stat. 1064; amended April 13, 1970, P.L. 91–230, Title II, secs. 205(a) and 206, 84 Stat. 158, 159.

DEFINITIONS

Sec. 15. For the purposes of this Act—

(1) The term "Federal property" means real property which is owned by the United States or is leased by the United States, and which is not subject to taxation by any State or any political subdivision of a State or by the District of Columbia. Except for the purposes of section 10, such term includes (A) real property held in trust by the United States for individual Indians or Indian tribes, and real property held by individual Indians or Indian tribes which is subject to restrictions on alienation imposed by the United States, any low-rent housing (whether or not owned by the United States) which is part of a low-rent housing project assisted under the United States Housing Act of 1937, and (C) any school which is providing flight training to members of the Air Force under contractual arrangements with the Department of the Air Force at an airport which is owned by a State or a political subdivision of a State. Such term also includes any interest in Federal property (as defined in the foregoing provisions of this paragraph) under an easement, lease, license, permit, or other arrangement, as well as any improvements of any nature (other than pipelines or utility lines) on such property even though such interests or improvements are subject to taxation by a State or political subdivision of a State or by the

District of Columbia. Notwithstanding the foregoing provisions of this paragraph, such term does not include (A) any real property used for a labor supply center, labor home, or labor camp for migratory farm workers and (B) any real property under the jurisdiction of the Post Office Department and used primarily for the provision of postal services.

(2) The term "child" means any child who is within the age limits for which the applicable State provides free public education.

(3) The term "parent" includes a legal guardian or other person standing in loco parentis.

(4) The term "free public education" means education which is provided at public expense, under public supervision and direction, and without tuition charge, and which is provided as elementary or secondary school education in the applicable State.

(5) The membership of schools shall be determined in accordance with State law or, in the absence of State law governing such a determination, in accordance with regulations of the Commissioner; except that, notwithstanding any other provision of this Act, where the local educational agency of the school district in which any child resides makes or contracts to make a tuition payment for the free public education of such child in a school situated in another school district, for purposes of this Act the membership of such child, shall be held and considered—

(A) if the two local educational agencies concerned so agree, and if such agreement is approved by the Commissioner, as membership of a school of the local educational agency receiving such tuition payment;

(B) in the absence of any such approved agreement, as membership of a school of the local educational agency so making or contracting to make such tuition payment.

In any determination of membership of schools, children who are not provided free public education (as defined in paragraph (4)) shall not be counted.

(6) The average per pupil cost of constructing minimum school facilities in the State in which the school district of a local educational agency is situated shall be determined by the Commissioner of Education on the basis of the contract cost per square foot under contracts for the construction of school facilities (exclusive of costs of site improvements, equipment, and architectural, engineering, and legal fees) entered into in the State for the second year of the four year increase period designated in the application, increased by a percentage estimated by the Commissioner to represent additional costs for site improvements, equipment, and architectural, engineering, and legal fees, and multiplied by a factor estimated by the Commissioner to represent the area needed per pupil in minimum school facilities. If the Commissioner finds that the information available for the State concerned for such preceding fiscal year is inadequate or not sufficiently representative, he shall determine such cost on the basis of such information as he has available and after consultation with the State educational agency. The cost of constructing minimum school facilities in the school district of a local educational agency shall be determined by the Commissioner, after consultation with the State and local

educational agencies, on the basis of such information as may be contained in the application of such local educational agency and such other information as he may obtain.

(7) Estimates of membership, and all other determinations with respect to eligibility and maximum amount of payment, shall be made as of the time of the approval of the application for which made, and shall be made on the basis of the best information available at the time of such approval.

(8) The terms "construct", "constructing", and "construction" include the preparation of drawings and specifications for school facilities; erecting, building, acquiring, altering, remodeling, improving, or extending school facilities; and the inspection and supervision of the construction of school facilities.

(9) The term "school facilities" includes classrooms and related facilities; and initial equipment, machinery, and utilities necessary or appropriate for school purposes. Such term does not include athletic stadiums, or structures or facilities intended primarily for athletic exhibitions, contests, or games or other events for which admission is to be charged to the general public. Except as used in sections 9 and 10, such term does not include interests in land and off-site improvements.

(10) Whether or not school facilities are minimum school facilities shall be determined by the Commissioner, after consultation with the State and local educational agencies, in accordance with regulations prescribed by him. Such regulations shall (A) require the local educational agency concerned to give due consideration to excellence of architecture and design, (B) provide that no facility shall be disqualified as a minimum school facility because of the inclusion of works of art in the plans therefor if the cost of such works of art does not exceed 1 per centum of the cost of the project, and (C) require compliance with such standards as the Secretary may prescribe or approve in order to insure that facilities constructed with the use of Federal funds under this Act shall be, to the extent appropriate in view of the uses to be made of the facilities, accessible to and usable by handicapped persons.

(11) The term "local educational agency" means a board of education or other legally constituted local school authority having administrative control and direction of free public education in a county, township, independent, or other school district located within a State. Such term includes any State agency which directly operates and maintains facilities for providing free public education or which has responsibility for the provision of such facilities.

(12) The term "State educational agency" means the officer or agency primarily responsible for the State supervision of public elementary and secondary schools.

(13) The term "State" means a State, Puerto Rico, Guam, the District of Columbia, American Samoa, the Virgin Islands, or Wake Island.

(14) The terms "Commissioner of Education" and "Commissioner" mean the United States Commissioner of Education.

(15) The term "base year" means the third or fourth regular school year preceding the fiscal year in which an application was filed under this Act, as may be designated in the application, except that in the

case of an application based on children referred to in paragraph (2) or (3) of section 5(a), the base year shall in no event be later than the regular school year 1968–1969; and

(16) The term "increase period" means the period of four consecutive regular school years immediately following such base year.

(20 U.S.C. 645) Similiar provisions enacted Sept. 23, 1950, P.L. 815, 81st Cong., Title II, sec. 210, 64 Stat. 976. Enacted Aug. 12, 1958, P.L. 85–620, Title I, sec. 101, 72 Stat. 556, as sec. 15 of P.L. 815, 81st Cong.; amended June 25, 1959, P.L. 86–70, sec. 18(c), 73 Stat. 144; amended July 12, 1960, P.L. 86–624, sec. 14(c), 74 Stat. 414; amended Oct. 3, 1961, P.L. 87–344, Title I, sec. 101(c), 75 Stat. 759; amended Dec. 18, 1963, P.L. 88–210, Title III, sec. 301(c), formerly sec. 31(c), 77 Stat. 419; amended Oct. 16, 1964, P.L. 88–665, Title XI, sec. 1101(c), (d), 78 Stat. 1109; amended Nov. 3, 1966, P.L. 89–750, Title II, secs. 222 (b), (c), (d), 230–232, 80 Stat. 1213–1216; amended Jan. 2, 1968, P.L. 90–247, Titles II, III, secs. 201, 301(d) (2) 81 Stat. 806, 813; redesignated Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(a) (1), 82 Stat. 1064; amended April 13, 1970, P.L. 91–230, Title II, secs. 201(a) (2), 203(a) (1), (2), 84 Stat. 154, 155.

SCHOOL CONSTRUCTION ASSISTANCE IN CASES OF CERTAIN DISASTERS

Sec. 16. (a) In any case in which—

(1) (A) the Director of the Office of Emergency Planning determines with respect to any local educational agency (including for the purpose of this section any other public agency which operates schools providing technical, vocational, or other special education to children of elementary or secondary school age) that such agency is located in whole or in part within an area which, after August 30, 1965, and prior to July 1, 1973, has suffered a major disaster as the result of any flood, drought, fire, hurricane, earthquake, storm, or other catastrophe which, in the determination of the President pursuant to section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a)), is or threatens to be of sufficient severity and magnitude to warrant disaster assistance by the Federal Government; or

(B) the Commissioner determines with respect to any such agency that public elementary or secondary school facilities (or, in the case of a public agency other than a local educational agency, school facilities providing technical, vocational, or other special education to children of elementary or secondary school age) of such agency have been destroyed or seriously damaged as a result of flood, hurricane, earthquake, storm, fire, or other catastrophe, except any such catastrophe caused by negligence or malicious action; and

(2) the Governor of the State in which such agency is located has certified the need for disaster assistance under this section, and has given assurance of expenditure of a reasonable amount of the funds of the government of such State, or of any political subdivision thereof, for the same or similar purposes with respect to such catastrophe;

and if the Commissioner determines with respect to such agency that—

(3) as a result of such major disaster, (A) public elementary or secondary school facilities of such agency (or, in the case of a public agency other than a local educational agency, school facilities providing technical, vocational, or other special education to children of elementary or secondary school age) have been

destroyed or seriously damaged, or (B) private elementary or secondary school facilities serving children who reside in the area served by such agency have been destroyed and will not be replaced, thereby increasing the need of such agency for school facilities;

(4) such agency is utilizing or will utilize all State and other financial assistance available for the replacement or restoration of such school facilities;

(5) such agency does not have sufficient funds available to it from State, local, and other Federal sources (including funds available under other provisions of this Act), and from the proceeds of insurance on such school facilities, and requires an amount of additional assistance equal to at least $1,000 or one-half of 1 per centum of such agency's current operating expenditures during the fiscal year preceding the one in which such disaster occurred, whichever is less, to provide the minimum school facilities needed (A) for the restoration or replacement of the school facilities of such agency so destroyed or seriously damaged or (B) to serve, in facilities of such agency, children who but for the destruction of the private facilities referred to in clause (3) (B) would be served by such private facilities; and

(6) in the case of any such major disaster, to the extent that the operation of private elementary and secondary schools in the school attendance area of the local educational agency has been disrupted or impaired by such disaster, such local educational agency has complied with the provisions of section 7(a)(4) of the Act of September 30, 1950 (Public Law 874, Eighty-first Congress), with respect to provisions for the conduct of educational programs under public auspices and administration in which children enrolled in such private elementary and secondary schools may attend and participate,

the Commissioner may provide the additional assistance necessary to enable such agency to provide such facilities, upon such terms and in such amounts (subject to the provisions of this section) as the Commissioner may consider to be in the public interest; but such additional assistance, plus the amount which he determines to be available from State, local, and other Federal sources (including funds available under other provisions of this Act), and from the proceeds of insurance, may not exceed the cost of construction incident to the restoration or replacement of the school facilities destroyed or damaged as a result of the disaster. In all cases determined pursuant to clause (1)(B) of this subsection, and in any other case deemed appropriate by the Commissioner, such assistance shall be in the form of a repayable advance subject to such terms and conditions as he considers to be in the public interest.

(b) There are hereby authorized to be appropriated for each fiscal year such amounts as may be necessary to carry out the provisions of this section. Pending such appropriation, the Commissioner may expend (without regard to subsections (a) and (e) of section 3679 of the Revised Statutes (31 U.S.C. 665)) from any funds heretofore or hereafter appropriated for expenditure in accordance with other sections of this Act such sums as may be necessary for immediately providing assistance under this section, such appropriations to be reimbursed from the appropriations authorized by this subsection when made.

(c) No payment may be made to any local educational agency under subsection (a) except upon application therefor which is submitted through the appropriate State educational agency and is filed with the Commissioner in accordance with regulations prescribed by him, and which meets the requirements of section 6(b) (1). In determining the order in which such applications shall be approved, the Commissioner shall consider the relative educational and financial needs of the local educational agencies which have submitted approvable applications. No payment may be made under subsection (a) unless the Commissioner finds, after consultation with the State and local educational agencies, that the project or projects with respect to which it is made are not inconsistent with overall State plans for the construction of school facilities. All determinations made by the Commissioner under this section shall be made only after consultation with the appropriate State educational agency and the local educational agency.

(d) Amounts paid by the Commissioner to local educational agencies under subsection (a) may be paid in advance or by way of reimbursement and in such installments as the Commissioner may determine. Any funds paid to a local educational agency and not expended or otherwise used for the purposes for which paid shall be repaid to the Treasury of the United States.

(e) None of the provisions of sections 1 to 10, both inclusive, other than section 6(b) (1), shall apply with respect to this section.

(20 U.S.C. 646) Enacted Nov. 1, 1965, P.L. 89–313, sec. 1, 79 Stat. 1158; amended Jan. 2, 1968, P.L. 90–247, Title II, sec. 217, 81 Stat. 810; amended April 13, 1970, P.L. 91–230, Title II, sec. 201(c), 84 Stat. 154.

SPECIAL BASE CLOSING PROVISION

Sec. 17. In determining the payment to be made to a local educational agency under this Act the Commissioner shall disregard the announcement, made November 19, 1964, of a decrease in or cessation of Federal activities in certain areas, and shall carry out such Act as if such announcement had not been made.

(20 U.S.C. 647) Enacted Nov. 1, 1965, P.L. 89–313, sec. 3, 79 Stat. 1161.

Legislative History

(P.L. 815, 81st Cong.)

Senate Report No. 948 (Committee on Labor and Public Welfare).

House Reports No. 2810 (Committee on Education and Labor) and No. 3064 (committee on conference).

Congressional Record, (1949, 1950):
- October 17, 1949: Passed Senate.
- August 22, 1950: Passed House.
- September 7, 1950: Senate agreed to conference report.
- September 15, 1950: House agreed to conference report.

Approved: September 23, 1950.

(P.L. 246, 83d Cong.)

House Reports No. 702 (Committee on Education and Labor) and No. 1091 (committee on conference).

Senate Report No. 713.

Congressional Record (1953):
- July 8: Passed House.

August 1: Passed Senate.
August 3: House agreed to conference report.
August 3: Senate agreed to conference report.
Approved: August 8, 1953.

(P.L. 85–620)

House Report No. 1532 (Committee on Education and Labor).
Senate Report No. 1929 (Committee on Labor and Public Welfare).
Congressional Record (1958):
April 23: Passed House.
July 28: Passed Senate.
July 29: House agreed to Senate amendment.
Approved: August 12, 1958.

(P.L. 86–70)

House Report No. 369 (Committee on Interior and Insular Affairs).
Senate Report No. 331 (Committee on Interior and Insular Affairs).
Congressional Record (1959):
June 1: Passed House.
June 3: Passed Senate.
June 11: House agreed to Senate amendment with amendment.
June 12: Senate agreed to House amendment.
Approved: June 25, 1959.

(P.L. 86–449)

House Report No. 956 (Committee on Judiciary).
Senate Report No. 1241 (Committee on Judiciary).
Congressional Record (1960):
March 24: Passed House.
April 8: Passed Senate.
Approved: May 6, 1960.

(P.L. 87–344)

Senate Report No. 743 (Committee on Labor and Public Welfare).
Congressional Record (1961):
September 6: Committee discharged, rules suspended, and passed House.
September 12: Passed Senate.
Approved: October 3, 1961.

(P.L. 88–210)

House Reports No. 393 (Committee on Education and Labor); No. 1025 (committee on conference).
Senate Report No. 533 (Committee on Labor and Public Welfare).
Congressional Record (1963):
August 6: Passed House.
October 8: Passed Senate.
December 12: House agreed to conference report.
December 13: Senate agreed to conference report.
Approved: December 18, 1963.

(P.L. 88–665)

Senate Report No. 1275 (Committee on Labor and Public Welfare).
House Report No. 1916 (committee on conference).
Congressional Record (1964):
August 1: Passed Senate.
August 14: Passed House.
October 1: House agreed to conference report.
October 2: Senate agreed to conference report.
Approved: October 16, 1964.

(P.L. 89–77)

House Report No. 164 (Committee on Education and Labor).
Senate Report No. 311 (Committee on Labor and Public Welfare)
Congressional Record, volume 111 (1965):
March 15: Considered and passed House.
June 11: Considered and passed Senate.
July 6: House concurred in Senate amendments.
Approved: July 21, 1965.

(P.L. 89–313)

House Report No. 587 (Committee on Education and Labor).
Senate Report No. 783 (Committee on Labor and Public Welfare).
Congressional Record (1965):
  August 30: Considered and passed House.
  October 1: Considered and passed Senate, amended.
  October 13: House concurred in Senate amendments with an amendment
  October 15: Senate concurred in House amendment.
Approved: November 1, 1965.

(P.L. 89–750)

House Reports No. 1814, 1814 pt. II (Committee on Education and Labor) and No. 2309 (committee of conference).
Senate Report No. 1674 accompanying S. 3046 (Committee on Labor and Public Welfare).
Congressional Record, volume 112 (1966):
  October 5: Considered in House.
  October 6: Considered and passed Senate.
  October 5, 6: S. 3046 considered and passed Senate.
  October 7: Considered and passed Senate, amended, in lieu of S. 3046.
  October 19: Senate agreed to conference report.
  October 20: House agreed to conference report.
Approved: November 3, 1966.

(P.L. 90–247)

House Reports: No. 188 (Committee on Education and Labor) and No. 1049 (committee of conference).
Senate Report No. 726 (Committee on Labor and Public Welfare).
Congressional Record, volume 113 (1967):
  May 22–24: Considered and passed House.
  Dec. 1, 4–8, 11: Considered and passed Senate amended.
  Dec. 15: House and Senate agreed to conference report.
Approved: January 2, 1968.

(P.L. 90–230)

House Reports: No. 91–114 (Committee on Education and Labor) and No. 91–937 (committee of conference).
Senate Report: No. 91–634 (Committee on Labor and Public Welfare).
Congressional Record:
  Volume 115 (1969): April, 23, considered and passed House.
  Volume 116 (1970):
    February 4–6, 9, 10, 16–18, considered in Senate.
    February 19, considered and passed Senate, amended.
    March 24, 25, Senate considered conference report.
    April 1, Senate agreed to conference report.
    April 7, House agreed to conference report.
Approved: April 13, 1970.

National Defense Education Act of 1958

Titles I, III, V–A, and X [6]

(P.L. 85–864)

AN ACT To strengthen the national defense and to encourage and assist in the expansion and improvement of educational programs to meet critical national needs; and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act, divided into titles and sections according to the following table of contents, may be cited as the "National Defense Education Act of 1958".

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[6] Only those titles dealing with elementary and secondary education are included under this part. A complete text of the Act is included in the Appendix on page 503.

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[7] Titles II, IV, and VI are incluuded among the higher education programs on page 255.
[7] Titles II, IV, and VI are included among the higher education programs on page 255. page 313.

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FINDINGS AND DECLARATION OF POLICY

SEC. 101. The Congress hereby finds and declares that the security of the Nation requires the fullest development of the mental resources and technical skills of its young men and women. The present emergency demands that additional and more adequate educational opportunities be made available. The defense of this Nation depends upon the mastery of modern techniques developed from complex scientific principles. It depends as well upon the discovery and development of new principles, new techniques, and new knowledge.

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[9] Titles II, IV, and VI are included among the higher education programs on page 255.
[10] Title VII is included among the research and training programs on page 282.
[11] Title IX is administered by the National Science Foundation and is included in the Appendix on page 619.
[12] Titles V–B and XI are included among the education personnel training programs on page 313.

We must increase our efforts to identify and educate more of the talent of our Nation. This requires programs that will give assurance that no student of ability will be denied an opportunity for higher education because of financial need; will correct as rapidly as possible the existing imbalances in our educational programs.

The Congress reaffirms the principle and declares that the States and local communities have and must retain control over and primary responsibility for public education. The national interest requires, however, that the Federal Government give assistance to education for programs which are important to our defense.

To meet the present educational emergency requires additional effort at all levels of government. It is therefore the purpose of this Act to provide substantial assistance in various forms to individuals, and to States and their subdivisions, in order to insure trained manpower of sufficient quality and quantity to meet the national defense needs of the United States.

(20 U.S.C. 401) Enacted Sept. 2, 1958, P.L. 85–864, Title I, sec. 101, 72 Stat. 1581; amended Oct. 16, 1964, P.L. 88–665, Title I sec. 101, 78 Stat. 1100.

Section 102 repealed by sec. 401(f)(2) of Title IV of P.L. 91–230 and replaced by sec. 422 of P.L. 90–247 as amended by sec. 401(a)(10) of Title IV, P.L. 91–230 (20 U.S.C. 1232a).

DEFINITIONS

Sec. 103. As used in this Act—

(a) The term "State" means a State, Puerto Rico, the District of Columbia, the Canal Zone, Guam, American Samoa, the Virgin Islands, and, for the purposes of titles II, III, and V, the Trust Territory of the Pacific Islands, except that as used in sections 302 and 502, such term does not include Puerto Rico, the Canal Zone, Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands.

(b) The term "institution of higher education" means an educational institution in any State which (1) admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such certificate, (2) is legally authorized within such State to provide a program of education beyond secondary education, (3) provides an educational program for which it awards a bachelor's degree or provides not less than a two-year program which is acceptable for full credit toward such a degree, (4) is a public or other nonprofit institution, and (5) is accredited by a nationally recognized accrediting agency or association approved by the Commissioner for this purpose or, if not so accredited, (A) is an institution with respect to which the Commissioner has determined that there is satisfactory assurance, considering the resources available to the institution, the period of time, if any, during which it has operated, the effort it is making to meet accreditation standards, and the purpose for which this determination is being made, that the institution will meet the accreditation standards of such an agency or association within a reasonable time, or (B) is an institution whose credits are accepted on transfer by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited. For purposes of title II, such term includes any school of nursing as defined in subsection (l) of this section; any proprietary institution of higher education (as defined in section 461(b) of the Higher Education Act of 1965) which includes in its agreement under section 204 of such title such terms and conditions as the Commissioner determines to be necessary to insure that the availability of assistance to students at the school under such title has not, and will not, increase tuition, fees, or other charges to such students; and any school which provides not less than a one-year program of training to prepare students for gainful employment in a recognized occupation and which meets the provisions of clauses (1), (2), (4), and (5). If the Commissioner determines that a particular category of such schools does not meet the requirements of clause (5) (but meets the requirements of clause (4)) because there is no nationally recognized accrediting agency or association qualified to accredit schools in such category, he shall, pending the establishment of such an accrediting agency or association, appoint an advisory committee, composed of persons specially qualified to evaluate training provided by schools in such category, which shall (i) prescribe the standards of content, scope, and quality which must be met in order to qualify schools in such category to participate in the student loan program under title II, and (ii) determine whether particular schools not meeting the requirements of clause (5) meet those standards. For purposes of this subsection, the Commissioner shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of training offered.

(c) The term "Commissioner" means the Commissioner of Education.

(d) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(e) The term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the governor or by State law.

(f) The term "school-age population" means that part of the population which is between the ages of five and seventeen, both inclusive, and such school-age population for the several States shall be determined by the Commissioner on the basis of the population between such ages for the most recent year for which satisfactory data are available from the Department of Commerce.

(g) The term "elementary school" means a school which provides elementary education, as determined under State law or, if such school is not in any State, as determined by the Commissioner.

(h) The term "secondary school" means a school which provides secondary education, as determined under State law or, if such school is not in any State, as determined by the Commissioner, except that it does not include any education provided beyond grade 12. For the purposes of sections 301 through 304, the term "secondary school" may include a public junior college, as determined under State law or, if such school is not in any State, as determined by the Commissioner.

(i) The term "public" as applied to any school or institution includes a school or institution of any agency of the United States, except that no such school or institution shall be eligible to receive any grant, loan, or other payment under this Act.

(j) The term "nonprofit", as applied to a school or institution, means a school or institution owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual, and for the purposes of part A of title V, includes a school of any agency of the United States.

(k) The term "local educational agency" means a board of education or other legally constituted local school authority having administrative control and direction of public elementary or secondary schools in a city, county, township, school district, or political subdivision in a State, or any other public institution or agency having administrative control and direction of a public elementary or secondary school.

(l) The term "school of nursing" means a public or other nonprofit collegiate or associate degree school of nursing.

(m) The term "collegiate school of nursing" means a department, division, or other administrative unit in a college or university which provides primarily or exclusively an accredited program of education in professional nursing and allied subjects leading to the degree of bachelor of arts, bachelor of science, bachelor of nursing, or to an equivalent degree, or to a graduate degree in nursing.

(n) The term "associate degree school of nursing" means a department, division, or other administrative unit in a junior college, community college, college, or university which provides primarily or exclusively an accredited two-year program of education in professional nursing and allied subjects leading to an associate degree in nursing or to an equivalent degree.

(o) The term "accredited" when applied to any program of nurse education means a program accredited by a recognized body or bodies approved for such purpose by the Commissioner of Education.

(20 U.S.C. 403) Enacted Sept. 2, 1958, P.L. 85-864, Title I, sec. 103, 72 Stat. 1582; amended June 25, 1959, P.L. 86-70, sec. 18(a)(1), 73 Stat. 144; amended July 12, 1960; P.L. 86-624, sec. 14(a)(1), 74 Stat. 413; amended Dec. 18, 1963, P.L. 88-210, sec. 21, 77 Stat. 415; amended 88-665, Title I, secs. 102, 103, 78 Stat. 1100; amended Nov. 8, 1965, P.L. 89-329 Title IV, sec. 461, 79 Stat. 1251; amended Nov. 3, 1966, P.L. 80-752, sec. 16(b), 80 Stat. 1245; amended Oct. 16, 1968, P.L. 90-575, Title I, sec. 174, 82 Stat. 1035.

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Title III—Financial Assistance for Strengthening Instruction in Science, Mathematics, Modern Foreign Languages, and Other Critical Subjects

PART A—GRANTS TO STATES

APPROPRIATIONS AUTHORIZED

SEC. 301. There are hereby authorized to be appropriated $70,000,000 for the fiscal year ending June 30, 1959, and for each of the five succeeding fiscal years, $90,000,000 for the fiscal year ending June 30, 1965, and $100,000,000 for the fiscal year ending June 30, 1966, and for the succeeding fiscal year, $110,000,000 for each of the fiscal years ending June 30, 1968, and June 30, 1969, $120,500,000 for the fiscal year ending June 30, 1970, and $130,500,000 for the fiscal year ending June 30, 1971, for (1) making payments to State educational agencies under this title for the acquisition of equipment and for minor remodeling, described in paragraph (1) of section 303(a), and (2) making loans authorized in section 305. There are also authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1959, and for each of the five succeeding fiscal years, and $10,000,000 for each of the succeeding fiscal years ending prior to July 1, 1971, for making payments to State educational agencies under this part to carry out the programs described in paragraph (5) of section 303(a).

(20 U.S.C. 441) Enacted Sept. 2, 1958, P.L. 85–864, Title II, sec. 301, 72 Stat. 1588; amended Oct. 3 (1961, P.L. 87–344, Title II, sec. 202(a), 75 Stat. 760; amended Dec. 18, 1963, P.L. 88–210, sec. 23(a), 77 Stat. 416; amended Oct. 16, 1964, P.L. 88–665, Title III, sec. 302, 78 Stat. 1103; amended Nov. 8, 1965, P.L. 89–329, sec. 467(a)(a), 79 Stat. 1254; amended Nov. 3, 1966, P.L. 89–752, sec. 82 Stat. 1052–1053; amended April 13, 1970, P.L. 91–230, sec. 807(a)(3), 84 Stat. 192.

ALLOTMENTS TO STATES

SEC. 302. (a)(1) From the sums appropriated pursuant to the first sentence of section 301 for any fiscal year the Commissioner shall reserve such amount, but not in excess of 3 per centum thereof, as he may determine for allotment as provided in section 1008(A), and such amount, not in excess of 1 per centum thereof, as he may determine for allotment as provided in section 1008(B), and shall reserve 12 per centum for loans authorized in section 305. From the remainder of such sums the Commissioner shall allot to each State an amount which bears the same ratio to the amount of such remainder as the product of—

(A) the school-age population of the State, and

(B) the State's allotment ratio (as determined under paragraph (2)),

bears to the sum of the corresponding products for all the States.

(2) The "allotment ratio" for any State shall be 100 per centum less the product of (A) 50 per centum and (B) the quotient obtained by dividing the income per child of school age for the State by the income per child of school age for the United States, except that the allotment ratio shall in no case be less than 33⅓ per centum or more than 66⅔ per centum. The allotment ratios shall be promulgated by the Commissioner between July 1 and August 31 of each even-numbered year beginning with calendar year 1964, on the basis of the average of the incomes per child of school age for the States and for the United States for the three most recent consecutive years for which satisfactory data are available from the Department of Commerce. Each such promulgation shall be conclusive for each of the two fiscal years in the period July 1 next succeeding such promulgation, except that the ratios promulgated in 1959 shall be conclusive for each of the five fiscal years in the period beginning July 1, 1960, and ending June 30, 1965.

(3) For the purposes of this part—

(A) The term "child of school age" means a member of the population between the ages of five and seventeen, both inclusive.

(B) The term "United States" means the fifty States and the District of Columbia.

(C) the term "income per child of school age" for any State or for the United States means the total personal income for the State and the United States, respectively, divided by the number of children of school age in such State and in the United States, respectively.

(b) From the sums appropriated pursuant to the second sentence of section 301 for any fiscal year the Commissioner shall reserve such amount, but not in excess of 2 per centum thereof, as he may determine for allotment as provided in section 1008. From the remainder of such sums the Commissioner shall allot to each State an amount which bears the same ratio to the amount of such remainder as the school-age population of such State bears to the total of the school-age populations of all of the States. The amount allotted to any State under the preceding sentence for any fiscal year which is less than $50,000 shall be increased to $50,000, the total thereby required being derived by proportionately reducing the amount allotted to each of the remaining States under the preceding sentence, but with such adjustments as may be necessary to prevent the allotment of any of such remaining States from being thereby reduced to less than $50,000.

(c) The amount of any State's allotment under subsection (a) of this section for any fiscal year which the Commissioner determines will not be required for such fiscal year shall be available for reallotment from time to time, on such dates during such year as the Commissioner may fix, to the other States in proportion to the original allotments to such States under subsection (a) of this section, but with such proportionate amount for any such State being reduced to the extent it exceeds the sum the Commissioner estimates such State needs and will be able to use for such year; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount reserved for any fiscal year for making loans under section 305 which the Commissioner determines will not be required for that purpose for such year shall be available for allotment among the States in the manner provided in the preceding sentence for reallotments. Any amount allotted or reallotted to a State under this subsection during a year from funds appropriated pursuant to section 301 shall be deemed part of its allotment under subsection (a) of this section for such year.

(20 U.S.C. 442) Enacted Sept. 2, 1958, P.L. 85–864, Title III, sec. 301, 72 Stat. 1588; amended June 25, 1959, P.L. 86–70, sec. 18(a)(2), 73 Stat. 144; amended July 12, 1960. P.L. 86–624, sec. 14(a)(2), 74 Stat. 413; amended Oct. 3, 1961, P.L. 87–344, Title II, sec. 202(b), 75 Stat. 760; amended Dec. 18, 1963, P.L. 88–210, sec. 23(b), 77 Stat. 416; amended Oct. 16, 1964, Title III, sec. 303, 78 Stat. 1103; amended Oct. 16, 1968, P.L. 90–575, Title III, sec. 303, 304, 351, 82 Stat. 1053, 1058.

STATE PLANS

SEC. 303. (a) Any State which desires to receive payments under this part shall submit to the Commissioner, through its State educational agency, a State plan which meets the requirements of section 1004(a) and—

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(1) sets forth a program under which funds paid to the State from its allotment under section 302(a) will be expended solely for projects approved by the State educational agency for (A) acquisition of laboratory and other special equipment (other than supplies consumed in use), including audiovisual materials and equipment, and printed and published materials (other than textbooks), suitable for use in providing education in academic subjects in public elementary or secondary schools, or both, and of testgrading equipment for audiovisual libraries serving such schools, and such equipment may, if there exists a critical need therefor in the judgment of local school authorities, be used when available and suitable in providing education in other subject matter, and (B) minor remodeling of laboratory or other space used for such materials or equipment;

(2) sets forth principles for determining the priority of such projects in the State for assistance under this part and provides for undertaking such projects, insofar as financial resources available therefor make possible, in the order determined by the application of such principles;

(3) provides an opportunity for a hearing before the State educational agency to any applicant for a project under this part;

(4) provides for the establishment of standards on a State level for laboratory and other special equipment acquired with assistance furnished under this part;

(5) sets forth a program under which funds paid to the State from its allotment under section 302(b) will be expended solely for (A) expansion or improvement of supervisory or related services in public elementary and secondary schools in the fields of academic subjects, and (B) administration of the State plan; and

(6) sets forth any requirements imposed upon applicants for financial participation in projects assisted under this part, including any provision for taking into account, in such requirements, the resources available to any applicant for such participation relative to the resources for participation available to all other applicants.

(b) The Commissioner shall approve any State plan and any modification thereof which complies with the provisions of subsection (a).

(20 U.S.C. 443) Enacted Sept. 2, 1958, P.L. 85–864, Title III, sec. 303, 72 Stat. 1589; amended Dec. 18, 1963, P.L. 88–210, sec. 23(c), 77 Stat. 417; amended Oct. 16, 1964, P.L. 88–665, Title III, sec. 304; 78 Stat. 1103; amended Nov. 8, 1965, P.L. 89–329, Title IV, sec. 467(a)(1), 79 Stat. 1254; amended Nov. 3, 1966, P.L. 89–752, sec. 17(a), 80 Stat. 1244; amended Oct. 16, 1968, P.L. 90–575, Title III, sec. 302, 304, 82 Stat. 1052–1053; amended April 13, 1970, P.L. 91–230, sec. 807(a)(1)(2), 84 Stat. 192.

PAYMENTS TO STATES

SEC. 304. (a) From a State's allotment for a fiscal year under section 302(a), the Commissioner shall, from time to time during the period such allotment is available for payment as provided in paragraph (4) of section 302(a), pay to such State an amount equal to one-half of the expenditures for projects for acquisition of equipment and minor remodeling referred to in paragraph (1) of section 303(a) which are carried out under its State plan approved under section

303(b); except that no State shall receive payments under this subsection for any period in excess of its allotments for such period under section 302(a).

(b) From a State's allotment under section 302(b) for the fiscal year ending June 30, 1959, the Commissioner shall from time to time pay to such State an amount equal to the amount expended by such State for such year to carry out the program referred to in paragraph (5) of section 303(a) under its State plan approved under section 303(b). From a State's allotment under section 302(b) for the fiscal year ending June 30, 1960, and for each of the eleven succeeding fiscal years, such payments shall equal one-half of the amount so expended under its State plan approved under section 303(b); except that no State shall receive payments under this subsection for any fiscal year in excess of its allotment under section 302(b) for that fiscal year.

(20 U.S.C. 444) Enacted Sept. 2, 1958, P.L. 85-864, Title III. sec. 304, 72 Stat. 1589; amended Oct. 3, 1961, P.L. 87-344, Title II, sec 202(c), 75 Stat. 760; amended Dec. 18, 1963, P.L. 88-210, sec. 23(d), 77 Stat. 417; amended Oct. 16, 1964, P.L. 88-665, Title III, sec. 305, 78 Stat. 1104; amended Oct. 16, 1968, P.L. 90-575, Title III, sec. 301, 82 Stat. 1052.

LOANS TO NONPROFIT PRIVATE SCHOOLS

SEC. 305. From the sums reserved for each fiscal year for the purposes of this section under the provisions of section 302(a), the Commissioner is authorized to make loans to private nonprofit elementary and secondary schools in any State. Any such loan shall be made only for the purposes for which payments to State educational agencies are authorized under the first sentence of section 301, and—

(1) shall be made upon application containing such information as may be deemed necessary by the Commissioner;

(2) shall be subject to such conditions as may be necessary to protect the financial interest of the United States;

(3) shall bear interest at the rate arrived at by adding one-quarter of 1 per centum per annum to the rate which the Secretary of the Treasury determines to be equal to the current average market yield on outstanding marketable obligations of the United States with redemption periods to maturity comparable to the average maturities of such loans as computed at the end of the fiscal year next preceding the date the application for the loan is approved and by adjusting the result so obtained to the nearest one-eighth of 1 per centum; and

(4) shall mature and be repayable on such date as may be agreed to by the Commissioner and the borrower, but such date shall not be more than ten years after the date on which such loan was made.

(20 U.S.C. 455) Enacted Sept. 2, 1958, P.L. 85-864, Title III, sec. 305, 72 Stat. 1590; amended P.L. 88-665, Title III, sec. 306, 78 Stat. 1104; amended Oct. 16, 1968, P.L. 90-575, Title III, sec. 303, 82 Stat. 1053.

PART B—GRANTS TO LOCAL EDUCATIONAL AGENCIES

APPROPRIATIONS AUTHORIZED

SEC. 311. There are hereby authorized to be appropriated, for carrying out this part, $84,373,000 for the fiscal year ending June 30, 1969, and $160,000,000 for the fiscal year ending June 30, 1970. For the fiscal year ending June 30, 1971, there may be appropriated to carry out the provisions of this part only such amount as the Congress may hereafter authorize by law.

(20 U.S.C. 451) Enacted Oct. 16, 1968, P.L. 90-575, title III, sec. 304, 82 Stat. 1054.

ALLOTMENTS TO LOCAL EDUCATIONAL AGENCIES

SEC. 312. From the sums appropriated pursuant to section 311 for any fiscal year the Commissioner shall reserve such amount, but not in excess of 3 per centum thereof, as he may determine for allotment as provided in section 1008(A). From the remainder of such sums the Commissioner shall allot to each local educational agency (other than local educational agencies of States which receive their allotments under this part as provided in subsection 1008(A)) an amount which bears the same ratio to the amount of such remainder as the amount received by such agency from funds appropriated for the preceding fiscal year for grants under title I of the Elementary and Secondary Education Act of 1965 (title II of Public Law 874, Eighty-first Congress, as amended) bears to the amount received by all local educational agencies from such funds for such year.

(20 U.S.C. 452) Enacted Oct. 16, 1968, P.L. 90-575, title III, sec. 304, 82 Stat. 1054.

APPLICATION OF LOCAL EDUCATIONAL AGENCY

SEC. 313. (a) A local educational agency may receive a grant under this part for any fiscal year only on application therefor approved by the appropriate State educational agency, upon its determination (consistent with such basic criteria as the Commissioner may establish)—

(1) that payments under this part will be used for the acquisition of equipment and materials referred to in section 303(a)(1) to be used in programs and projects designed to meet the special educational needs of educationally deprived children in school attendance areas having a high concentration of children from low-income families;

(2) that, to the extent consistent with the number of educationally deprived children in the school district of the local educational agency who are enrolled in private elementary and secondary schools, such agency has made provision for including special educational services and arrangements (such as dual enrollment, educational radio and television, and mobile educational services and equipment) which will afford such children the benefits of the equipment and materials provided under this part;

(3) that the local educational agency has provided satisfactory assurance that the control of funds provided under this part, and that title to equipment and materials acquired therewith, shall be in a public agency for the uses and purposes provided in this part, and that a public agency will administer such funds and equipment and materials; and

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(4) that the local educational agency will make an annual report and such other reports to the State educational agency, in such form and containing such information, as may be reasonably necessary to enable the State educational agency to perform its duties under this part, and will keep such records and afford such access thereto as the State educational agency may find necessary to assure the correctness and verification of such reports.

(b) The State educational agency shall not finally disapprove in whole or in part any application for funds under this part without first affording the local educational agency submitting the application reasonable notice and opportunity for a hearing.

(20 U.S.C. 453) Enacted Oct. 16, 1968, P.L. 90–575, Title III, sec. 304, 82 Stat. 1054–1055.

STATE APPLICATION

SEC. 314. (a) Any State desiring to participate under this part shall submit through its State educational agency to the Commissioner an application, in such detail as the Commissioner deems necessary, which provides satisfactory assurance—

(1) that payments under this part will be used only for programs and projects which have been approved by the State educational agency pursuant to section 313, and that such agency will in all other respects comply with the provisions of this part, including the enforcement of any obligations imposed upon a local educational agency under section 313.

(2) that such fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of, and accounting for, funds paid to the State (including such funds paid by the State to local educational agencies) under this part; and

(3) that the State educational agency will make to the Commissioner such reports as may be reasonably necessary to enable the Commissioner to perform his duties under this part (including such reports as he may require to determine the amounts which local educational agencies of that State are eligible to receive for any fiscal year), and assurance that such agency will keep such records and afford such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(b) An application submitted under this section shall be deemed a State plan for the purposes of sections 1004 and 1005.

(20 U.S.C. 454) Enacted Oct. 16, 1968, P.L. 90–575, Title III, sec. 304, 82 Stat. 1055.

PAYMENTS

SEC. 315. (a) The Commissioner shall, from time to time pay to each State, in advance or otherwise, the amount which the local educational agencies of that State are eligible to receive under this part. Such payments shall take into account the extent (if any) to which any previous payment to such State educational agency under this part (whether or not in the same fiscal year) was greater or less than the amount which should have been paid to it.

(b) From the funds paid to it pursuant to subsection (a) each State educational agency shall distribute to each local educational agency of the State which has submitted an application approved to pursuant to section 313(a) the amount for which such application has been approved, except that this amount shall not exceed its allotment for the fiscal year under section 312.

(20 U.S.C. 455) Enacted Oct. 16, 1968, Title III, sec. 304, 82 Stat. 1055.

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Title V—Guidance, Counseling, and Testing; Identification and Encouragement of Able Students[1]

Part A—State Programs

APPROPRIATIONS AUTHORIZED

Sec. 501. There are hereby authorized to be appropriated $15,000,000 for the fiscal year ending June 30, 1963, $17,500,000 for the fiscal year ending June 30, 1964, $24 million for the fiscal year ending June 30, 1965, $24,500,000 for the fiscal year ending June 30, 1966, $30 million for each of the 2 succeeding fiscal years, $25 million for the fiscal year ending June 30, 1969, $40 million for the fiscal year ending June 30, 1970, and $54 million for the fiscal year ending June 30, 1971, for making grants to State educational agencies under this part to assist them to establish and maintain programs of testing and guidance and counseling.

(20 U.S.C. 481) Enacted Sept. 2, 1958, P.L. 85–864, Title V, sec. 501, 72 Stat. 1592; amended Oct. 3, 1961, P.L. 87–344, Title II, sec. 204, 75 Stat. 760; amended Dec. 18, 1963, P.L. 88–210, sec. 25(a), 77 Stat. 417; amended Oct. 16, 1964, P.L. 88–665, Title V, sec. 502, 78 Stat. 1105; amended Oct. 16, 1968, P.L. 90–575, Title III, sec. 321, 82 Stat. 1057.

ALLOTMENTS TO STATES

Sec. 502. (a) From the sums appropriated pursuant to section 501 for any fiscal year the Commissioner shall reserve such amount, but not in excess of 3 per centum thereof, as he may determine for allotment as provided in section 1008(A), and such amount, not in excess of 1 per centum thereof, as he may determine for allotment as provided in section 1008(B). From the remainder of such sums the Commissioner shall allot to each State an amount which bears the same ratio to the amount of such remainder as the school-age population of such State bears to the total of the school-age populations of all of the States. The amount allotted to any State under the preceding sentence for any fiscal year which is less than $50,000 shall be increased to $50,000, the total of increases thereby required being derived by proportionately reducing the amount allotted to each of the remaining States under the preceding sentence, but with such adjustments as may be necessary to prevent the allotment of any such remaining States from being thereby reduced to less than $50,000.

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[1] Title III, section 303(a) of the Elementary and Secondary Education Act, as amended Apr. 13, 1971, by section 131 of P.L. 91–230 reads:

"It is the purpose of this title to combine within a single authorization, subject to the modifications imposed by the provisions and requirements of this title, the programs formerly authorized by this title and title V–A of the National Defense Education Act of 1958, and except as expressly modified by this title, Federal funds may be used for the same purposes and the funding of the same types of programs previously authorized by those titles."

(b) The amount of any State's allotment under subsection (a) for any fiscal year which the Commissioner determines will not be required for such fiscal year for carrying out the State plan (if any) approved under this title shall be available for reallotment from time to time, on such dates during such year as the Commissioner may fix, to other States in proportion to the original allotments to such States under such subsection for such year, but with such proportionate amount for any of such States being reduced to the extent it exceeds the sum the Commissioner estimates such State needs and will be able to use for such year for carrying out the State plan; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount reallotted to a State under this subsection during a year from funds appropriated pursuant to section 501 shall be deemed part of its allotment under subsection (a) for such year.

(20 U.S.C. 482) Enacted Sept. 2, 1958, P.L. 85–864, Title V, sec. 501, 72 Stat. 1592; amended Dec. 18, 1963, P.L. 88–210, sec. 25(b), 77 Stat. 1105; amended Oct. 16, 1968, P.L. 90–575, Title III, sec. 351, 81 Stat. 1058.

STATE PLANS

SEC. 503. (a) Any State which desires to receive payments under this part shall submit to the Commissioner, through its State educational agency, a State plan which meets the requirements of section 1004(a) and sets forth—

(1) a program for testing students in the public elementary and secondary schools of such State or in the public junior colleges and technical institutes of such State, and, if authorized by law, in other elementary and secondary schools and in other junior colleges and technical institutes in such State, to identify students with outstanding aptitudes and ability, and the means of testing which will be utilized in carrying out such program; and

(2) a program of guidance and counseling at the appropriate levels in the public elementary and secondary schools or public junior colleges and technical institutes of such State (A) to advise students of courses of study best suited to their ability, aptitudes, and skills, (B) to advise students in their decisions as to the type of educational program they should pursue, the vocation they should train for and enter, and the job opportunities in the various fields, and (C) to encourage students with outstanding aptitudes and ability to complete their secondary school education, take the necessary courses for admission to institutions of higher education, and enter such institutions and such programs may include, at the discretion of such State agency, short-term sessions for persons engaged in guidance and counseling in the elementary and secondary schools, junior colleges, and technical institutes in such State.

(b) The Commissioner shall approve any State plan and any modification thereof which complies with the provisions of subsection (a).

(20 Stat. 483) Enacted Sept. 2, 1958, P.L. 85–864, Title V, sec. 501, 72 Stat. 1592; amended Oct. 3, 1961, P.L. 87–344, Title II, sec. 204(b), (c), 75 Stat. 760; amended Dec. 18, 1963, P.L. 88–210, sec. 25(d), 77 Stat. 418; amended Oct 16, 1964, P.L. 88–665, Title V, sec. 503, 78 Stat. 1105; amended Oct. 16, 1968, P.L. 90–575, Title III, sec. 321, 82 Stat. 1057.

PAYMENTS TO STATES

SEC. 504. (a) Payment under this part shall be made to those State educational agencies which administer plans approved under section 503. For the fiscal year ending June 30, 1959, such payments shall equal the amount expended by the State in carrying out its State plan, and for the fiscal year ending June 30, 1960, and for each of the succeeding fiscal years, such payments shall equal one-half of the amount so expended, including amounts expended under the State plan for State supervisory or related services in public elementary or secondary schools in the fields of guidance, counseling, and testing, and for administration of the State plan, except that no State educational agency shall receive payment under this part for any fiscal year in excess of that State's allotment for that fiscal year as determined under section 502.

(b) In any State which has a State plan approved under section 503 and in which the State educational agency is not authorized by law to make payments to cover the cost of testing students in any one or more elementary or secondary schools, or junior colleges or technical institutes, in such State to determine student abilities and aptitudes, the Commissioner shall arrange for the testing of such students and shall pay the cost thereof for the fiscal year ending June 30, 1959, and one-half of the cost thereof for any of the succeeding fiscal years out of such State's allotment. Testing of students pursuant to this subsection shall, so far as practicable, be comparable to, and be done at the same grade levels and under the same conditions as in the case of, testing of students in public schools under the State plan.

(20 U.S.C. 484) Enacted Sept. 2, 1958, P.L. 85-864, Title V, sec. 504, 72 Stat. 1592; amended Oct. 3, 1961, P.L. 87-344, Title II, sec. 204 (b), (c), 75 Stat. 760; amended Dec. 18, 1963, P.L. 88-210, sec. 25(d), 77 Stat. 418; amended Oct. 16, 1964, P.L. 88-665, Title V, sec. 503, 78 Stat. 1105; amended Oct. 16, 1968, P.L. 90-575, Title III, sec. 321, 82 Stat. 1057.

DEFINITIONS

SEC. 505. For the purposes of this title, the term "junior colleges or technical institutes" means (1) institutions of higher education which are organized and administered principally to provide a two-year program which is acceptable for full credit toward a bachelor's degree, and (2) institutions which meet the requirements of clauses (1), (2), (4), and (5) of section 103(b) and are organized and administered principally to provide a two-year program in engineering, mathematics, or the physical or biological sciences which is designed to prepare the student to work as a technician and at a semiprofessional level in engineering, scientific, or other technological fields which require the understanding and application of basic engineering, scientific, or mathematical principles or knowledge, and, if a branch of an institution of higher education offering four or more years of higher education, is located in a community different from that in which its parent institution is located.

(20 U.S.C. 485) Enacted Oct. 16, 1964, P.L. 88-665, Title V, sec. 504, 78 Stat. 1106.

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Title X—Miscellaneous Provisions

ADMINISTRATION

Sec. 1001.

(c) The Commissioner shall include in his annual report to the Congress a full report of the activities of the Office of Education under this Act, including recommendations for needed revisions in the provisions thereof.

(d) The Secretary shall advise and consult with the heads of departments and agencies of the Federal Government responsible for the administration of scholarship, fellowship, or other educational programs with a view to securing full information concerning all specialized scholarship, fellowship, or other educational programs administered by or under any such department or agency and to developing policies and procedures which will strengthen the educational programs and objectives of the institutions of higher education utilized for such purposes by any such department or agency.

(e) Any agency of the Federal Government shall exercise its functions under any other law in such manner as will assist in carrying out the objectives of this Act. Nothing in this Act shall be construed as superseding or limiting the authority of any such agency under any other law.

(f) (1) No part of any funds appropriated or otherwise made available for expenditure under the authority of this Act shall be used to make payments or loans to any individual (other than a permanent resident of the Trust Territory of the Pacific Islands) unless such individual has taken and subscribed to an oath or affirmation in the following form: "I do solemnly swear (or affirm) that I bear true faith and allegiance to the United States of America and will support and defend the Constitution and laws of the United States aganist all its enemies, foreign and domestic".

(2) No fellowship or stipend shall be awarded to any individual under the provisions of title IV or of part A of title VI of this Act unless such individual has provided the Commissioner (in the case of applications made on or after October 1, 1962) with a full statement regarding any crimes of which he has ever been convicted (other than crimes committed before attaining sixteen years of age and minor traffic violations for which a fine of $25 or less was imposed) and regarding any criminal charges punishable by confinement of thirty days or more which may be pending against him at the time of his application for such fellowship or stipend.

(3) The provisions of section 1001 of title 18, United States Code, shall be applicable with respect to the oath or affirmation required under paragraph (1) of this subsection and to the statement required under paragraph (2).

(4) (A) When any Communist organization, as defined in paragraph (5) of section 3 of the Subversive Activities Control Act of 1950, is registered or there is in effect a final order of the Subversive Activities Control Board requiring such organization to register, it shall be unlawful for any member of such organization with knowledge or notice that such organization is so registered or that such order has become final (i) to make application for any payment or loan

which is to be made from funds part or all of which are appropriated or otherwise made available for expenditure under the authority of this Act, or (ii) to use or attempt to use any such payment or loan.

(B) Whoever violates subparagraph (A) of this paragraph shall be fined not more than $10,000 or imprisoned not more than five years, or both.

(g) Nothing contained in this Act shall prohibit the Commissioner from refusing or revoking a fellowship award under title IV of this Act, in whole or in part, in the case of any applicant or recipient, if the Commissioner is of the opinion that such award is not in the best interests of the United States.

(20 U.S.C. 581) Enacted Sept. 2, 1958, P.L. 85–864, Title X, sec. 1001, 72 Stat. 1602; amended Oct. 16, 1962, P.L. 87–835, 76 Stat. 1070; amended Oct. 16, 1968; P.L. 90–575, Title I, sec. 176, 82 Stat. 1035. Subsections (a) and (b) repealed April 13, 1970, P.L. 91–230, sec. 401(c) and superseded by sec. 411, P.L. 90–247, as amended, (20 U.S.C. 1233–1233g).

ADMINISTRATION OF STATE PLANS

Sec. 1004. (a) No State plan submitted under one of the titles of this Act shall be approved by the Commissioner which does not—

(1) provide, in the case of a plan submitted under title III or under title V, or section 1009 of this title, that the State educational agency will be the sole agency for administering the plan;

(2) provide that such commission or agency will make such reports to the Commissioner, in such form and containing such information, as may be reasonably necessary to enable the Commissioner to perform his duties under such title or section and will keep such records and afford such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports; and

(3) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the State under such title or section (including such funds paid by the State to the local educational agencies).

(b) The Commissioner shall not finally disapprove any State plan submitted under this Act, or any modification thereof without first affording the agency administering the plan reasonable notice and opportunity for a hearing.

(c) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the agency administering a State plan approved under one of the titles of this Act, finds that—

(1) the State plan has been so changed that it no longer complies with the provisions of this Act governing its original approval, or

(2) in the administration of the plan there is a failure to comply substantially with any such provision, the Commissioner shall notify such State agency, in the case of a plan submitted under part A or B of title III or under title V or section 1009 of this title, that no further payments will be made to the State under such part or title or section (or, in his discretion, further payments to the State will be limited to programs under or por-

tions of the State plan not affected by such failure), until he is satisfied that there will no longer be any failure to comply. Until he is so satisfied, the Commissioner shall make no further payments to such State under such part or title or section, as the case may be (or shall limit payments to programs under or portions of the State plan not affected by such failure).

(20 U.S.C. 584) Enacted Sept. 2, 1958, P.L. 85–864, Title X, sec. 1004, 72 Stat. 1603; amended Oct. 16, 1964, P.L. 88–665, Title VIII, sec. 801, 78 Stat. 1107; amended Oct. 16, 1968, P.L. 90–575, Title III, sec. 304, 82 Stat. 1055.

JUDICIAL REVIEW

SEC. 1005. (a) If any State is dissatisfied with the Commissioner's final action with respect to the approval of its State plan submitted under this Act, or with respect to his final action under section 1004(c), such State may, within sixty days after notice of such action, file in the United States district court for the district in which the capital of the State is located, a petition to review such action. The petition for review shall (1) contain a concise statement of the facts upon which the appeal is based and (2) designate that part of the Commissioner's decision sought to be reviewed.

(b) Notification of the filing of the petition for review shall be given by the clerk of the court by mailing a copy of the petition to the Commissioner.

(c) No costs or docket fees shall be charged or imposed with respect to any judicial review proceedings, or appeal therefrom, taken under this Act.

(d) Upon receipt of the petition for review the Commissioner shall, within twenty days thereafter, certify and file in the court the record on review, consisting of the complete transcript of the proceedings before the Commissioner. No party to such review shall be required, by rule of court or otherwise, to print the contents of such record filed in the court.

(e) The court after review may dismiss the petition or deny the relief prayed for, or may suspend, modify, or set aside, in whole or in part, the action of the Commissioner, or may compel action unlawfully withheld. The judgment of the court shall be subject to review as provided in section 1291 and 1254 of title 28 of the United States Code.

(20 U.S.C. 585) Enacted Sept. 2, 1958, P.L. 85–864, Title X, sec. 1005, 72 Stat. 1604.

METHOD OF PAYMENT

SEC. 1006. Payments under this Act to any individual or to any State or Federal agency, institution of higher education, or any other organization, pursuant to a grant, loan, or contract, may be made in installments, and in advance or by way of reimbursement and, in the case of grants or loans, with necessary adjustments on account of overpayments or underpayments.

(20 U.S.C. 586) Enacted Sept. 2, 1958, P.L. 85–864, Title X, sec. 1006, 72 Stat. 1604.

ADMINISTRATIVE APPROPRIATIONS AUTHORIZED

SEC. 1007. There are hereby authorized to be appropriated for the fiscal year ending June 30, 1959, and for each fiscal year thereafter, such sums as may be necessary for the cost of administering the provisions of this Act, including the administrative expenses of State commissions.

(20 U.S.C. 587) Enacted Sept. 2, 1958, P.L. 85–864. Title X, sec. 1007, 72 Stat. 1604.

ALLOTMENTS TO TERRITORIES AND POSSESSIONS

SEC. 1008. The amounts reserved by the Commissioner under sections 302, 312, and 502 shall, in accordance therewith, be allotted among—

(A) Puerto Rico, the Canal Zone, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs for the type of assistance furnished under the part or title in which the section appears, and

(B) in the case of amounts so reserved under sections 302 and 502, (i) the Secretary of the Interior, according to the need for such assistance in order to effectuate the purposes of such part or title in schools operated for Indian children by the Department of the Interior, and (ii) the Secretary of Defense according to the need for such assistance in order to effectuate the purposes of such part or title in the overseas dependents schools of the Department of Defense. The terms upon which payments for such purpose shall be made to the Secretary of the Interior and the Secretary of Defense shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this title.

(20 U.S.C. 588) Enacted Sept. 2, 1958, P.L. 85–864, Title X, sec. 1008, 72 Stat. 1605; amended June 25, 1959, P.L. 86–70, sec. 18(a)(3), 73 Stat. 144; amended July 12, 1960, P.L. 86–624, sec. 14(a)(3), 74 Stat. 413; amended Dec. 18, 1963, P.L. 88–210, sec. 28(a), 77 Stat. 419; amended Oct. 16, 1968, P.L. 90–575, Title III, sec. 351, 82 Stat. 1058.

IMPROVEMENT OF STATISTICAL SERVICES OF STATE EDUCATIONAL AGENCIES

SEC. 1009. (a) For the purpose of assisting the States to improve and strengthen the adequacy and reliability of educational statistics provided by State and local reports and records and the methods and techniques for collecting and processing educational data and disseminating information about the condition and progress of education in the States, there are hereby authorized to be appropriated for the fiscal year ending June 30, 1959, and each of the nine succeeding fiscal years, for grants to States under this section, such sums as the Congress may determine.

(b) Grants under this section by the Commissioner shall be equal to one-half of the cost of State educational agency programs to carry out the purposes of this section, including (1) improving the collection, analysis, and reporting of statistical data supplied by local educational units, (2) the development of accounting and reporting manuals to serve as guides for local educational units, (3) the conduct of conferences and training for personnel of local educational units and of periodic reviews and evaluation of the program for records and reports, (4) improving methods for obtaining, from other State agencies within the State, educational data not collected by the State educational agency, or (5) expediting the processing and reporting of statistical data through installation and operation of mechanical equipment. The total of the payments to any State under this section for any fiscal year may not exceed $50,000.

(c) Payments with respect to any program of a State educational agency under this section may be made (1) only to the extent it is a new program or an addition to or expansion of an existing program and (2) only if the State plan approved under subsection (d) includes such program.

(d) The Commissioner shall approve any State plan for purposes of this section if such plan meets the requirements of section 1004(a) and sets forth the programs proposed to be carried out under the plan and the general policies to be followed in doing so.

(20 U.S.C. 589) Enacted Sept. 2, 1958, P.L. 85-864, Title X, sec. 1009, 72 Stat. 1605; amended Oct. 3, 1961, P.L. 87-344, Title II, sec. 208, 75 Stat. 761; amended Dec. 18, 1963, P.L. 88-210, sec. 28(b), 77 Stat. 419; amended Oct. 16, 1964, P.L. 88-665, Title VIII, sec. 802, 78 Stat. 1107.

CIVIL RIGHTS ACT OF 1964

(P.L. 88-352)

Title IV—Desegregation of Public Education

DEFINITIONS

Sec. 401. As used in this title—

(a) "Commissioner" means the Commissioner of Education.

(b) "Desegregation" means the assignment of students to public schools and within such schools without regard to their race, color, religion, or national origin, but "desegregation" shall not mean the assignment of students to public schools in order to overcome racial imbalance.

(c) "Public school" means any elementary or secondary educational institution, and "public college" means any institution of higher education or any technical or vocational school above the secondary school level, provided that such public school or public college is operated by a State, subdivision of a State, or governmental agency within a State, or operated wholly or predominantly from or through the use of governmental funds or property, or funds or property derived from a governmental source.

(d) "School board" means any agency or agencies which administer a system of one or more public schools and any other agency which is responsible for the assignment of students to or within such system.

SURVEY AND REPORT OF EDUCATIONAL OPPORTUNITIES

Sec. 402. The Commissioner shall conduct a survey and make a report to the President and the Congress, within two years of the enactment of this title, concerning the lack of availability of equal educational opportunities for individuals by reason of race, color, religion, or national origin in public educational institutions at all levels in the United States, its territories and possessions, and the District of Columbia.

TECHNICAL ASSISTANCE

SEC. 403. The Commissioner is authorized, upon the application of any school board, State, municipality, school district, or other governmental unit legally responsible for operating a public school or schools, to render technical assistance to such applicant in the preparation, adoption, and implementation of plans for the desegregation of public schools. Such technical assistance may, among other activities, include making available to such agencies information regarding effective methods of coping with special educational problems occasioned by desegregation, and making available to such agencies personnel of the Office of Education or other persons specially equipped to advise and assist them in coping with such problems.

TRAINING INSTITUTES

SEC. 404. The Commissioner is authorized to arrange, through grants or contracts, with institutions of higher education for the operation of short-term or regular session institutes for special training designed to improve the ability of teachers, supervisors, counselors, and other elementary or secondary school personnel to deal effectively with special educational problems occasioned by desegregation. Individuals who attend such an institute on a full-time basis may be paid stipends for the period of their attendance at such institute in amounts specified by the Commissioner in regulations, including allowances for travel to attend such institute.

GRANTS

SEC. 405. (a) The Commissioner is authorized, upon application of a school board, to make grants to such board to pay, in whole or in part, the cost of—

(1) giving to teachers and other school personnel inservice training in dealing with problems incident to desegregation, and

(2) employing specialists to advise in problems incident to desegregation.

(b) In determining whether to make a grant, and in fixing the amount thereof and the terms and conditions on which it will be made, the Commissioner shall take into consideration the amount available for grants under this section and the other applications which are pending before him; the financial condition of the applicant and the other resources available to it; the nature, extent, and gravity of its problems incident to desegregation; and such other factors as he finds relevant.

PAYMENTS

SEC. 406. Payments pursuant to a grant or contract under this title may be made (after necessary adjustments on account of previously made overpayments or underpayments) in advance or by way of reimbursement, and in such installments, as the Commissioner may determine.

SUITS BY THE ATTORNEY GENERAL

SEC. 407. (a) Whenever the Attorney General receives a complaint in writing—

(1) signed by a parent or group of parents to the effect that his or their minor children, as members of a class of persons similarly situated, are being deprived by a school board of the equal protection of the laws, or

(2) signed by an individual, or his parent, to the effect that he has been denied admission to or not permitted to continue in attendance at a public college by reason of race, color, religion, or national origin.

and the Attorney General believes the complaint is meritorious and certifies that the signer or signers of such complaint are unable, in his judgment, to initiate and maintain appropriate legal proceedings for relief and that the institution of an action will materially further the orderly achievement of desegregation in public education, the Attorney General is authorized, after giving notice of such complaint to the appropriate school board or college authority and after certifying that he is satisfied that such board or authority has had a reasonable time to adjust the conditions alleged in such complaint, to institute for or in the name of the United States a civil action in any appropriate district court of the United States against such parties and for such relief as may be appropriate, and such court shall have and shall exercise jurisdiction of proceedings instituted pursuant to this section, provided that nothing herein shall empower any official or court of the United States to issue any order seeking to achieve a racial balance in any school by requiring the transportation of pupils or students from one school to another or one school district to another in order to achieve such racial balance, or otherwise enlarge the existing power of the court to insure compliance with constitutional standards. The Attorney General may implead as defendants such additional parties as are or become necessary to the grant of effective relief hereunder.

(b) The Attorney General may deem a person or persons unable to initiate and maintain appropriate legal proceedings within the meaning of subsection (a) of this section when such person or persons are unable, either directly or through other interested persons or organizations, to bear the expense of the litigation or to obtain effective legal representation; or whenever he is satisfied that the institution of such litigation would jeopardize the personal safety, employment, or economic standing of such person or persons, their families, or their property.

(c) The term "parent" as used in this section includes any person standing in loco parentis. A "complaint" as used in this section is a writing or document within the meaning of section 1001, title 18, United States Code.

SEC. 408. In any action or proceeding under this title the United States shall be liable for costs the same as a private person.

SEC. 409. Nothing in this title shall affect adversely the right of any person to sue for or obtain relief in any court against discrimination in public education.

SEC. 410. Nothing in this title shall prohibit classification and assignment for reasons other than race, color, religion, or national origin.

(42 U.S.C. 2000c–2000c–9) Enacted July 2, 1964, P.L. 88–352, Title IV, 78 Stat. 246.

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Clubs for Boys and Girls Interested in Science

AN ACT

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled. That in order to strengthen future scientific accomplishment in our Nation by assisting in the development of a body of boys and girls with a special interest in science, there is hereby authorized to be appropriated for the fiscal year ending June 30, 1959, and for each fiscal year thereafter, such sums, not in excess of $50,000, as may be necessary to enable the Commissioner of Education to encourage, foster, and assist in the establishment in localities throughout the Nation of clubs which are composed of boys and girls who have an especial interest in science.

SEC. 2. (a) The Commissioner of Education shall carry out his duties under the first section with a view to the ultimate chartering by the Congress of a corporation, similar to the Future Farmers of America, which will seek to—

(1) develop an interest in science on the part of the young people of America,

(2) provide an opportunity for the exchange of scientific information and ideas among members of the clubs,

(3) encourage the promotion of science fairs at which members of the clubs may display their scientific works and projects, and

(4) develop an awareness of the satisfactions to be derived throughout a career devoted to science.

(b) The Commissioner of Education may utilize any of the personnel and facilities of the Office of Education in carrying out this Act.

(20 U.S.C. 2nt) Enacted on September 2, 1958, as P.L. 85–875, 72 Stat. 1700.

LEGISLATIVE HISTORY

(P.L. 85–875)

***85th Congress*—H.R. 13191: H. Rept. 2643, p. 17931, Aug. 15, 1958; passed House, p. 18976, Aug. 21, 1958. Passed Senate, p. 19558, Aug. 23, 1958. Approved, p. 19719, Sept. 2, 1958.**

Future Farmers of America

AN ACT To incorporate the Future Farmers of America, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following persons: William T. Spanton, Washington, District of Columbia; Dudley M. Clements, College Park, Maryland; Herbert B. Swanson, Washington, District of Columbia; R. Edward Naugher, Arlington, Virginia; Elmer J. Johnson, Arlington, Virginia; Rodolph D. Anderson, Columbia, South Carolina; Earl H. Little; Concord, New Hampshire; Bert L. Brown, Olympia, Washington; and Ralph A. Howard, Columbus, Ohio, are hereby created a body corporate by the name of Future Farmers of America (hereinafter referred to as the "corporation") and by such name shall be known and have perpetual succession and the powers and limitations contained in this Act.

(36 U.S.C. 271) Enacted Aug. 30, 1950, P.L. 740, 81st Cong., Sec. 1, 64 Stat. 563.

Sec. 2. The persons named in the first section of this Act are authorized to meet to complete the organization of the corporation by the selection of officers, the adoption of regulations and bylaws, and the doing of such other acts as may be necessary for such purpose.

(36 U.S.C. 272) Enacted Aug. 30, 1950, P.L. 740, 81st Cong., Sec. 2, 64 Stat. 563.

Sec. 3. The objects and purposes of the corporation shall be—

(1) to create, foster, and assist subsidiary chapters composed of students and former students of vocational agriculture in public schools qualifying for Federal reimbursement under the Smith-Hughes Vocational Education Act or the Vocational Education Act of 1946 (Public Law 347, Sixty-fourth Congress, and Public Law 586, Seventy-ninth Congress), and associations of such chapters in the several States and Territories of the United States;

(2) to develop character, train for useful citizenship, and foster patriotism, and thereby to develop competent, aggressive rural and agricultural leadership;

(3) to create and nurture a love of country life by encouraging members to improve the farm home and its surroundings, to develop organized rural recreational activities, and to create more interest in the intelligent choice of farming occupations;

(4) to encourage the practice of thrift;

(5) to procure for and distribute to State associations, local chapters, and members all official Future Farmers of America supplies and equipment;

(6) to publish an official magazine and other publications for the members of the corporation;

(7) to strengthen the confidence of farm boys and young men in themselves and their work, to encourage members in the development of individual farming programs, and to promote their permanent establishment in farming by (a) encouraging improvement in scholarship; (b) providing prizes and awards to deserving students who have achieved distinction in vocational agriculture, including farm mechanics activities on a local, State, or national basis; and (c) assisting financially, through loans or grants, deserving students in all-day vocational agriculture classes and young farmers under thirty years of age who were former students in all-day vocational agriculture classes in becoming satisfactorily established in a farming occupation; and

(8) to cooperate with others, including State boards for vocational education, in accomplishing the above purposes; and to engage in such other activities, consistent with the foregoing purposes, determined by the governing body to be for the best interests of the corporation.

(36 U.S.C. 273) Enacted Aug. 30, 1950, P.L. 740, 81st Cong., sec. 3, 64 Stat. 563.

Sec. 4. The corporation shall have power—

(1) to sue and be sued, complain, and defend in any court of competent jurisdiction;

(2) to adopt, use, and alter a corporate seal;

(3) to choose such officers, managers, agents, and employees as the business of the corporation may require;

(4) to adopt and alter bylaws and regulations, not inconsistent with the laws of the United States or any State in which such corporation is to operate, for the management of its property and the regulation of its affairs, including the establishment and maintenance of local chapters and State associations of chapters;

(5) to contract and be contracted with;

(6) to take and hold by lease, gift, purchase, grant, devise, or bequest any property, real or personal, necessary for attaining the objects and accomplishing the purposes of the corporation, subject to applicable provisions of law of any State (A) governing the amount or kind of real and personal property which may be held by, or (B) otherwise limiting or controlling the ownership of real and personal property by, a corporation operating in such State;

(7) to transfer and convey real or personal property;

(8) to borrow money for the purposes of the corporation, issue bonds therefor, and secure the same by mortgage, subject to all applicable provisions of Federal or State law;

(9) to use the corporate funds to give prizes, awards, loans, and grants to deserving students and young farmers for the purposes set forth in section 3;

(10) to publish a magazine and other publications;

(11) to procure for and distribute to State associations, local chapters, and members all official Future Farmers of America supplies and equipment;

(12) to adopt emblems and badges; and

(13) to do any and all acts and things necessary and proper to carry out the objects and purposes of the corporation.

(36 U.S.C. 274) Enacted Aug. 30, 1950, P.L. 740, 81st Cong., sec. 4, 64 Stat. 564.

Sec. 5. The headquarters and principal offices of the corporation shall be located in the District of Columbia, but the activities of the corporation shall not be confined to that place but may be conducted throughout the various States, Territories, and possessions of the United States. The corporation shall maintain at all times in the District of Columbia a designated agent authorized to accept service of process for the corporation, such designation to be filed in the office of the clerk of the United States District Court for the District of Columbia. Notice to or service upon such agent, or mailed to the business address of such agent, shall be deemed sufficient notice or service upon the corporation.

(36 U.S.C. 275) Enacted Aug. 30, 1950, P.L. 740, 81st Cong., sec. 5, 64 Stat. 565.

Sec. 6. Eligibility for membership in the corporation and the rights and privileges of members shall, except as provided in this Act, be determined according to the bylaws of the corporation. In the conduct of official business of any local chapter each member shall have one vote. In the conduct of the official business of any State association each qualified delegate of a local chapter shall have one vote.

(36 U.S.C. 275) Enacted Aug 30, 1950, P.L. 740, 81st Cong., sec. 6, 64 Stat. 565.

Sec. 7. (a) The national officers of the corporation shall be a student president, four student vice presidents (one from each of four regions of the United States established in the bylaws for purposes of administration of the corporation), a student secretary, an executive secretary, a treasurer, and a national advisor.

(b) The national student officers of the corporation shall comprise a board of student officers. It shall be the duty of such board to advise and make recommendations to the board of directors with respect to the conduct of the activities and business of the corporation.

(c) The national officers of the corporation shall be elected annually by a majority vote of the delegates assembled in the annual national convention from among qualified members of the corporation, except that the national advisor shall be the Chief of the Agricultural Education Service, Office of Education, Federal Security Agency,[14] the executive secretary shall be a member of that service, and the treasurer shall be an employee or member of a State agency that directs or supervises a State program of agricultural education under the provisions of the Smith-Hughes Vocational Education Act or the Vocational Education Act of 1946 (Public Law 347, Sixty-fourth Congress, and Public Law 586, Seventy-ninth Congress).

(d) In the conduct of the business of the annual national convention each qualified delegate shall have one vote.

(36 U.S.C. 276) Enacted Aug. 30, 1950, P.L. 740, 81st Cong., sec. 7, 64 Stat. 565.

SEC. 8. (a) The governing body of the corporation, which shall exercise the powers herein granted to the corporation, shall be a board of directors composed of: (1) the Chief of the Agricultural Education Service, Office of Education, Federal Security Agency,[1] who shall act as chairman; (2) four staff members in the Agricultural Education Service, Office of Education, Federal Security Agency;[1] and (3) four State supervisors of agricultural education.

(b) The terms of office of members of the board and the method of selection of such members, other than ex officio members, shall be prescribed by the bylaws of the corporation.

(c) The board shall meet at least once each year at such time and place as may be prescribed by the bylaws. The annual report of the board shall be presented at such meeting. Special meetings of the board may be called at any time by the chairman.

(d) The board may designate the chairman and two members of his staff as a governing committee which, when the board is not in session, shall have and exercise the powers of the board subject to its direction and have the power to authorize the seal of the corporation to be affixed to all papers which may require it.

(e) The board of directors which shall serve until the first board is selected as provided in this Act shall be composed of the nine persons named in the first section of this Act.

(36 U.S.C. 278) Enacted Aug. 30, 1950, P.L. 740, 81st Cong., sec. 8, 64 U.S.C. 565.

SEC. 9. (a) No part of the income or assets of the corporation shall inure to any member, officer, or director, or be distributable to any such person except upon dissolution and final liquidation of the corpration as provided in section 15 of this Act.

(b) The corporation shall not make loans to its officers, directors, or employees. Any director who votes for or assents to the making of a loan to an officer, director, or employee of the corporation, and any officer who participates in the making of such a loan shall be jointly and severally liable to the corporation for the amount of such loan until the repayment thereof.

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[14] Functions of Federal Security Agency transferred Apr. 11, 1953 to Department of Health, Education, and Welfare (1953 Reorg. Plan No. 1, secs. 5, 8. 18 F.R. 2053, 67 Stat. 631). Reorganization plan reprinted on page 4.

(c) This section shall not preclude prizes, awards, grants, or loans to student officers and members meeting the criteria established by the board of directors for selecting recipients of such benefits.

(36 U.S.C. 279) Enacted Aug. 30, 1950, P.L. 740, 81st Cong., sec. 9, 64 Stat. 566.

Sec. 10. The corporation, and its members, officers, and directors, as such, shall not contribute to or otherwise support or assist any political party or candidate for elective public office.

(36 U.S.C. 280) Enacted Aug. 30, 1950, P.L. 740, 81st Cong., sec. 10, 64 Stat. 566.

Sec. 11. The corporation shall be liable for the acts of its officers and agents when acting within the scope of their authority.

(36 U.S.C. 281) Enacted Aug. 30, 1950, P.L. 740, 81st Cong., sec. 11, 64 Stat. 566.

Sec. 13. The corporation shall keep correct and complete books and records of account and shall also keep minutes of the proceedings of its members, the board of directors, and committees having any authority under the board of directors; and it shall also keep a record of the names and addresses of its members entitled to vote. All books and records of the corporation may be inspected by any member or his agent or attorney at any reasonable time.

(36 U.S.C. 283) Enacted Aug 30, 1950, P.L. 740, 81st Cong., sec. 13, 64 Stat. 566.

Sec. 15. Upon final dissolution or liquidation of the corporation and after the discharge or satisfaction of all outstanding obligations and liabilities, the remaining assets of the corporation shall be used by the board of directors for the benefit of students of vocational agriculture, or be transferred to some recognized educational foundation.

(36 U.S.C. 285) Enacted Aug. 30, 1950, P.L. 740, 81st Cong., sec. 15, 64 Stat. 566.

Sec. 16. The corporation, and its duly authorized chapters and associations of chapters, shall have the sole and exclusive right to use the name of Future Farmers of America and the initials FFA as representing an agricultural membership organization and such seals, emblems, and badges as the corporation may lawfully adopt.

(36 U.S.C. 286) Enacted Aug. 30, 1950, P.L. 740, 81st Cong., sec. 16, 64 Stat. 566.

Sec. 17. As a condition precedent to the exercise of any power or privilege granted to the corporation under this Act, the corporation shall file in the Office of the Secretary of State, or similar officer, in each State and in each Territory or possession of the United States in which subordinate associations or chapters are organized the name, and post office address of an authorized agent in such State, Territory, or possession upon whom legal process or demands against the corporation may be served.

(36 U.S.C. 287) Enacted Aug. 30, 1950, P.L. 740, 81st Cong., sec. 17, 64 Stat. 567.

Sec. 18. The United States Commissioner of Education, with the approval of the Federal Security Administrator,[15] is authorized to make available personnel, services, and facilities of the Office of Education requested by the board of directors of the corporation to administer or assist in the administration of the business and activities of the corporation. The personnel of the Office of Education shall not receive any compensation from the corporation for their services, except that travel and other legitimate expenses as defined by the Commissioner of Education and approved by the board of directors of the corporation may be paid. The Commissioner, with the approval of the Administrator, is also authorized to cooperate with the State boards for vocational education to assist in the promotion of the activities of the corporation.

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[15] See footnote on page 153.

(36 U.S.C. 288) Enacted Aug. 30, 1950, P.L. 740, 81st Cong., Sec. 18, 64 Stat. 567.

Sec. 19. The corporation may acquire the assets of the Future Farmers of America, a corporation organized under the laws of the State of Virginia, and of the Future Farmers of America Foundation, Incorporated, a corporation organized under the laws of the District of Columbia, upon discharging or satisfactorily providing for the payment and discharge of all of the liabilities of such corporations.

(36 U.S.C. 289) Enacted Aug. 30, 1950, P.L. 740, 81st Cong., Sec. 19, 64 Stat. 567.

Sec. 20. The provisions of this Act shall take effect on the filing, in the office of the clerk of the United States District Court for the District of Columbia of affidavits signed by the incorporators named in the first section of this Act to the effect that the Virginia corporation, known as the Future Farmers of America has been dissolved in accordance with law, but only if such affidavits are filed within one year from the date of enactment of this Act.

(36 U.S.C. 290) Enacted Aug. 30, 1950, P.L. 740, 81st Cong., Sec. 20, 64 Stat. 567.

Sec. 21. The right to alter, amend, or repeal this Act is hereby expressly reserved.

(36 U.S.C. 291) Enacted Aug. 30, 1950, P.L. 740, 81st Cong., Sec. 21, 64 Stat. 567.

Approved August 30, 1950.

PART III—HIGHER EDUCATION PROGRAMS

Higher Education Act of 1965

(P.L. 89-329)

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Higher Education Act of 1965".

Title I—Community Service and Continuing Education Programs

APPROPRIATIONS AUTHORIZED

SEC. 101. For the purpose of assisting the people of the United States in the solution of community problems such as housing, poverty, government, recreation, employment, youth opportunities, transportation, health, and land use by enabling the Commissioner to make grants under this title to strengthen community service programs of colleges and universities, there are authorized to be appropriated $25,000,000 for the fiscal year ending June 30, 1966, $50,000,000 for the fiscal year ending June 30, 1967, and for the succeeding fiscal year, $10,000,000 for the fiscal year ending June 30, 1969, $50,000,000 for the fiscal year ending June 30, 1970, and $60,000,000 for the fiscal year ending June 30, 1971.

(20 U.S.C. 1001) Enacted Nov. 8, 1965, P.L. 89-329, Title I, sec. 101, 79 Stat. 1219; amended Oct. 16, 1968, P.L. 90-575, Title II, sec. 201, 82 Stat. 1035.

DEFINITION OF COMMUNITY SERVICE PROGRAM

SEC. 102. For purposes of this title, the term "community service program" means an educational program, activity, or service, including a research program and a university extension or continuing education offering, which is designed to assist in the solution of community problems in rural, urban, or suburban areas, with particular emphasis on urban and suburban problems, where the institution offering such program, activity, or service determines—

(1) that the proposed program, activity, or service is not otherwise available, and

(2) that the conduct of the program or performance of the activity or service is consistent with the institution's over-all educational program and is of such a nature as is appropriate to the effective utilization of the institution's special resources and the competencies of its faculty.

Where course offerings are involved, such courses must be university extension or continuing education courses and must be—

(A) fully acceptable toward an academic degree, or

(B) of college level as determined by the institution offering such courses.

(20 U.S.C. 1002) Enacted Nov. 8, 1965, P.L. 89–329, Title I, sec. 102, 79 Stat. 1219.

ALLOTMENTS TO STATES

SEC. 103. (a) Of the sums appropriated pursuant to section 101 for each fiscal year, the Commissioner shall allot $25,000 each to Guam, American Samoa, the Commonwealth of Puerto Rico, and the Virgin Islands and $100,000 to each of the other States, and he shall allot to each State an amount which bears the same ratio to the remainder of such sums as the population of the State bears to the population of all States.

(b) The amount of any State's allotment under subsection (a) for any fiscal year which the Commissioner determines will not be required for such fiscal year for carrying out the State plan (if any) approved under this title shall be available for reallotment from time to time, on such dates during such year as the Commissioner may fix, to other States in proportion to the original allotments to such States under such subsection for such year, but with such proportionate amount for any of such States being reduced to the extent it exceeds the sum the Commissioner estimates such State needs and will be able to use for such year for carrying out the State plan; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount reallotted to a State under this subsection during a year from funds appropriated pursuant to section 101 shall be deemed part of its allotment under subsection (a) for such year.

(c) In accordance with regulations of the Commissioner, any State may file with him a request that a specified portion of its allotment under this title be added to the allotment of another State under this title for the purpose of meeting a portion of the Federal share of the cost of providing community service programs under this title. If it is found by the Commissioner that the programs with respect to which the request is made would meet needs of the State making the request and that use of the specified portion of such State's allotment, as requested by it, would assist in carrying out the purposes of this title, such portion of such State's allotment shall be added to the allotment of the other State under this title to be used for the purpose referred to above.

(d) The population of a State and of all the States shall be determined by the Commissioner on the basis of the most recent satisfactory data available from the Department of Commerce.

(20 U.S.C. 1003) Enacted Nov. 8, 1965, P.L. 89–329, Title I, sec. 103, 79 Stat. 1220.

USES OF ALLOTTED FUNDS

SEC. 104. A State's allotment under section 103 may be used, in accordance with its State plan approved under section 105(b), to provide new, expanded, or improved community service programs.

(20 U.S.C. 1004) Enacted Nov. 8, 1965, P.L. 89–329, Title I, sec. 104, 79 Stat. 1220.

STATE PLANS

Sec. 105. (a) Any State desiring to receive its allotment of Federal funds under this title shall designate or create a State agency or institution which has special qualifications with respect to solving community problems and which is broadly representative of institutions of higher education in the State which are competent to offer community service programs, and shall submit to the Commissioner through the agency or institution so designated a State plan. If a State desires to designate for the purpose of this section an existing State agency or institution which does not meet these requirements, it may do so if the agency or institution takes such action as may be necessary to acquire such qualifications and assure participation of such institutions, or if it designates or creates a State advisory council which meets the requirements not met by the designated agency or institution to consult with the designated agency or institution in the preparation of the State plan. A State plan submitted under this title shall be in such detail as the Commissioner deems necessary and shall—

(1) provide that the agency or institution so designated or created shall be the sole agency for administration of the plan or for supervision of the administration of the plan; and provide that such agency or institution shall consult with any State advisory council required to be created by this section with respect to policy matters arising in the administration of such plan;

(2) set forth a comprehensive, coordinated, and statewide system of community service programs under which funds paid to the State (including funds paid to an institution pursuant to section 106(c)) under its allotments under section 103 will be expended solely for community service programs which have been approved by the agency or institution administering the plan (except that if a comprehensive, coordinated, and statewide system of community service programs cannot be effectively carried out by reason of insufficient funds, the plan may set forth one or more proposals for community service programs in lieu of a comprehensive, ordinated, statewide system of such programs);

(3) set forth the policies and procedures to be followed in allocating Federal funds to institutions of higher education in the State, which policies and procedures shall insure that due consideration will be given—

(A) to the relative capacity and willingness of particular institutions of higher education (whether public or private) to provide effective community service programs;

(B) to the availability of and need for community service programs among the population within the State; and

(C) to the results of periodic evaluations of the programs carried out under this title in the light of information regarding current and anticipated community problems in the State;

(4) set forth policies and procedures designed to assure that Federal funds made available under this title will be so used as not to supplant State or local funds, or funds of institutions of higher education, but to supplement and, to the extent practicable, to increase the amounts of such funds that would in the absence

of such Federal funds be made available for community service programs;

(5) set forth such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the State (including such funds paid by the State or by the Commissioner to institutions of higher education) under this title; and

(6) provide for making such reports in such form and containing such information as the Commissioner may reasonably require to carry out his functions under this title, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(b) The Commissioner shall approve any State plan and any modification thereof which complies with the provisions of subsection (a).

(20 U.S.C. 1005) Enacted Nov. 8, 1965, P.L. 89–329, Title I, sec. 105, 79 Stat. 1220; amended Oct. 16, 1968, P.L. 90–575, Title II, sec. 202, 82 Stat. 1036.

PAYMENTS

SEC. 106. (a) Except as provided in subsection (b), payment under this title shall be made to those State agencies and institutions which administer plans approved under section 105(b). Payments under this title from a State's allotment with respect to the cost of developing and carrying out its State plan shall equal 75 per centum of such costs for the fiscal year ending June 30, 1966, 75 per centum of such costs for the fiscal year ending June 30, 1967, 50 per centum of such costs for the fiscal year ending June 30, 1968, and 66⅔ per centum of such costs for fiscal years ending on or after June 30, 1969, except that no payments for any fiscal year shall be made to any State with respect to expenditures for developing and administering the State plan which exceed 5 per centum of the costs for that year for which payment under this subsection may be made to that State, or $25,000, whichever is the greater. In determining the cost of developing and carrying out a State's plan, there shall be excluded any cost with respect to which payments were received under any other Federal program.

(b) No payments shall be made to any State from its allotments for any fiscal year unless and until the Commissioner finds that the institutions of higher education which will participate in carrying out the State plan for that year will together have available during that year for expenditure from non-Federal sources for college and university extension and continuing education programs not less than the total amount actually expended by those institutions for college and university extension and continuing education programs from such sources during the fiscal year ending June 30, 1965, plus an amount equal to not less than the non-Federal share of the costs with respect to which payment pursuant to subsection (a) is sought.

(c) Payments to a State under this title may be made in installments and in advance or by way of reimbursement with necessary adjustments on account of overpayments or underpayments, and they may be paid directly to the State or to one or more participating institutions of higher education designated for this purpose by the State, or to both.

(20 U.S.C. 1006) Enacted Nov. 8, 1965, P.L. 89–329, Title I, sec. 106, 79 Stat. 1221; amended Oct. 16, 1968, P.L. 90–575, Title II, sec. 203, 82 Stat. 1036.

ADMINISTRATION OF STATE PLANS

Sec. 107. (a) The Commissioner shall not finally disapprove any State plan submitted under this title, or any modification thereof, without first affording the State agency or institution submitting the plan reasonable notice and opportunity for a hearing.

(b) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the State agency or institution administering a State plan approved under section 105(b), finds that—

(1) the State plan has been so changed that it no longer complies with the provisions of section 105(a), or

(2) in the administration of the plan there is a failure to comply substantially with any such provision,

the Commissioner shall notify the State agency or institution that the State will not be regarded as eligible to participate in the program under this title until he is satisfied that there is no longer any such failure to comply.

(20 U.S.C. 1007) Enacted Nov. 8, 1965, P.L. 89–329, Title I, sec. 107, 79 Stat. 1222.

JUDICIAL REVIEW

Sec. 108. (a) If any State is dissatisfied with the Commissioner's final action with respect to the approval of its State plan submitted under section 105(a) or with his final action under section 107(b), such State may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which the State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commisioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

(b) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(c) The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(20 U.S.C. 1008) Enacted Nov. 8, 1965, P.L. 89–329, Title I, sec. 108, 79 Stat. 1222.

NATIONAL ADVISORY COUNCIL ON EXTENSION AND CONTINUING EDUCATION

Sec. 109. (a) The President shall, within ninety days of enactment of this title, appoint a National Advisory Council on Extension and Continuing Education (hereafter referred to as the "Advisory Council"), consisting of the Commissioner, who shall be Chairman, one representative each of the Departments of Agriculture, Commerce, Defense, Labor, Interior, State, and Housing and Urban Development, and the Office of Economic Opportunity, and of such other Federal agencies having extension education responsibilities as the President may designate, and twelve members appointed, for staggered terms and without regard to the civil service laws, by the President. Such twelve members shall, to the extent possible, include persons knowledgeable in the fields of extension and continuing education, State and local officials, and other persons having special knowledge, experience, or qualification with respect to community problems, and persons representative of the general public. The Advisory Council shall meet at the call of the Chairman but not less often than twice a year.

(b) The Advisory Council shall advise the Commissioner in the preparation of general regulations and with respect to policy matters arising in the administration of this title, including policies and procedures governing the approval of State plans under section 105(b), and policies to eliminate duplication and to effectuate the coordination of programs under this title and other programs offering extension or continuing education activities and services.

(c) The Advisory Council shall review the administration and effectiveness of all federally supported extension and continuing education programs, including community service programs, make recommendations with respect thereto, and make annual reports, commencing on March 31, 1967, of its findings and recommendations (including recommendations for changes in the provisions of this title and other Federal laws relating to extension and continuing education activities) to the Secretary and to the President. The President shall transmit each such report to the Congress together with his comments and recommendations.

(f) In carrying out its functions pursuant to this section, the Advisory Council may utilize the services and facilities of any agency of the Federal Government, in accordance with agreements between the Secretary and the head of such agency.

(20 U.S.C. 1009) Enacted Nov. 8, 1965. P.L. 89–329. Title I, sec. 109, 79 Stat. 1223; subsections (d) and (e) repealed April 13, 1970, P.L. 91–230, sec. 401(h) and superseded by Part C of Title IV of P.L. 90–247 as amended.

RELATIONSHIP TO OTHER PROGRAMS

Sec. 110. Nothing in this title shall modify authorities under the Act of February 23, 1917 (Smith-Hughes Vocational Education Act), as amended (20 U.S.C. 11–15, 16–28); the Vocational Education Act of 1946, as amended (20 U.S.C. 15i–15m, 15o–15q, 15aa–15jj, and 15aaa–15ggg); the Vocational Education Act of 1963 (20 U.S.C. 35–35n; title VIII of the Housing Act of 1964 (Public Law 88–560); or the Act of May 8, 1914 (Smith-Lever Act), as amended (7 U.S.C. 341–348).

(20 U.S.C. 1010) Enacted Nov. 8, 1965, P.L. 89–329, Title I, sec. 110, 79 Stat. 1224.

LIMITATION

Sec. 111. No grant may be made under this title for any educational program, activity, or service related to sectarian instruction or religious worship, or provided by a school or department of divinity.

For purposes of the section, the term "school or department of divinity" means an institution or a department or branch of an institution whose program is specifically for the education of students to prepare them to become ministers of religion or to enter upon some other religious vocation, or to prepare them to teach theological subjects.

(20 U.S.C. 1011) Enacted Nov. 8, 1965, P.L. 89-329, Title I, sec. 111, 79 Stat. 1224.

Title II—College Library Assistance and Library Training and Research

Part A—College Library Resources

APPROPRIATIONS AUTHORIZED

Sec. 201. There are authorized to be appropriated $50,000,000 for the fiscal year ending June 30, 1966, and for each of the two succeeding fiscal years, $25,000,000 for the fiscal year ending June 30, 1969, $75,000,000 for the fiscal year ending June 30, 1970, and $90,000,000 for the fiscal year ending June 30, 1971, to enable the Commissioner to make grants under this part to institutions of higher education to assist and encourage such institutions in the acquisition for library purposes of books, periodicals, documents, magnetic tapes, phonograph records, audiovisual materials, and other related library materials (including necessary binding).

(20 U.S.C. 1021) Enacted Nov. 8, 1965, P.L. 89-329, Title II, sec. 201, 79 Stat. 1224; amended Oct. 16, 1968, P.L. 90-575, Title II. sec. 211, 82 Stat. 1036.

BASIC GRANTS

Sec. 202. From 75 per centum of the sums appropriated pursuant to section 201 for any fiscal year, the Commissioner is authorized to make basic grants for the purposes set forth in that section to institutions of higher education, combinations of such institutions, and in accordance with criteria prescribed by regulation, new institutions of higher education in the fiscal year preceding the first year in which students are to be enrolled.[1] The amount of a basic grant shall not exceed $5,000 for each such institution of higher education and each branch of such institution which is located in a community different from that in which its parent institution is located, as determined in accordance with regulations of the Commissioner, and a basic grant under this subsection may be made only if the application therefor is approved by the Commissioner upon his determination that the application (whether by an individual institution or a combination of institutions)—

(a) provides satisfactory assurance that the applicant will expend during the fiscal year for which the grant is requested (from funds other than funds received under this part) for all library purposes (exclusive of construction) (1) an amount not less than the average annual amount it expended for such purposes during the two-year period ending June 30, 1965, or during the two fiscal years preceding the fiscal year for which the grant is requested, whichever is the lesser, and (2) an amount (from such other sources) equal to not less than the amount of such grant;

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[1] That part of the sentence following the last comma is effective with respect to appropriations for fiscal years beginning after June 30, 1969.

(b) provides satisfactory assurance that the applicant will expend during the fiscal year for which the grant is requested (from funds other than funds received under this part) for books, periodicals, documents, magnetic tapes, phonograph records, audiovisual materials, and other related materials (including necessary binding) for library purposes an amount not less than the average annual amount it expended for such materials during the two-year period ending June 30, 1965, or during the two fiscal years preceding the fiscal year for which the grant is requested, whichever is the lesser;

(c) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this section; and

(d) provides for making such reports, in such form and containing such information, as the Commissioner may require to carry out his functions under this section, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and vertification of such reports.

(20 U.S.C. 1022) Enacted Nov. 8, 1965, P.L. 89–329, Title II, sec. 202, 79 Stat. 1224; amended Nov. 3, 1966, P.L. 89–752, sec. 9, 80 Stat. 1243; amended Oct. 16, 1968, P.L. 90–575, Title II, sec. 214, 82 Stat. 1037.

SUPPLEMENTAL GRANTS

Sec. 203. (a) From the remainder of such 75 per centum of the sums appropriated pursuant to section 201 for any fiscal year, plus any part of such sums as the Commissioner determines will not be used for making grants under section 204, the Commissioner is authorized to make supplemental grants for the purposes set forth in section 201 to institutions of higher education (and to each branch of such institution which is located in a community different from that in which its parent institution is located, as determined in accordance with regulations of the Commissioner) and combinations of such institutions. The amount of a supplemental grant shall not exceed $10 for each full-time student (including the full-time equivalent of the number of part-time students) enrolled in each such institution (or branch), as determined pursuant to regulations of the Commissioner. A supplemental grant may be made only upon application therefor, in such form and containing such information as the Commissioner may require, which application shall—

(1) meet the application requirements set forth in section 202 except for the matching requirement set forth in paragraph (a) (2) of that section;

(2) describe the size and quality of the library resources of the applicant in relation to its present enrollment and any expected increase in its enrollment;

(3) set forth any special circumstances which are impeding or

will impede the proper development of its library resources; and

(4) provide a general description of how a supplemental grant would be used to improve the size or quality of its library resources.

(b) The Commissioner shall approve applications for supplemental grants on the basis of basic criteria prescribed in regulations and developed after consultation with the Council created under section 205. Such basic criteria shall be such as will best tend to achieve the objectives of this part and they (1) may take into consideration factors such as the size and age of the library collection and student enrollment, and (2) shall give priority to institutions in need of financial assistance for library purposes.

(20 U.S.C. 1023) Enacted Nov. 8, 1965, P.L. 89–329, Title II, sec. 203, 79 Stat. 1225; amended Oct. 16, 1968, P.L. 90–575, Title II, sec 212(a).

SPECIAL PURPOSE GRANTS

Sec. 204. (a) (1) Twenty-five per centum of the sums appropriated pursuant to section 201 for each fiscal year shall be used by the Commissioner in accordance with this subsection.

(2) Of the sums available for use under paragraph (1) sixty per centum may be used to make special grants (A) to institutions of higher education (or to branches of such institutions which are located in a community different from that in which the parent institution is located, as determined in accordance with regulations of the Commissioner) which demonstrate a special need for additional library resources and which demonstrate that such additional library resources will make a substantial contribution to the quality of their educational resources, (B) to institutions of higher education (or to such branches) to meet special national or regional needs in the library and information sciences, and (C) to combinations of institutions of higher education which need special assistance in establishing and strengthening joint-use facilities. Grants under this section may be used only for books, periodicals, documents, magnetic tapes, phonograph records, audiovisual materials, and other related library materials (including necessary binding).

(3) Any sums available for use under paragraph (1) which are not used for the purposes of paragraph (2) shall be used in the manner prescribed by the first sentence of section 203(a).

(b) Grants pursuant to paragraph (2) shall be made upon application providing satisfactory assurance that (1) the applicant (or applicants jointly in the case of a combination of institutions) will expend during the fiscal year for which the grant is requested (from funds other than funds received under this part) for the same purpose as such grant an amount from such other sources equal to not less than 33⅓ per centum of such grant, and (2) in addition each such applicant will expend during such fiscal year (from such other sources) for all library purposes (exclusive of construction) an amount not less than the average annual amount it expended for such purposes during the two-year period ending June 30, 1965, or during the two fiscal years preceding the fiscal year for which the grant is requested, whichever is less.

(20 U.S.C. 1024) Enacted Nov. 8, 1965, P.L. 89–329, Title II, sec. 204, 79 Stat. 1226; amended Oct. 16, 1968, P.L. 90–575, Title II, secs. 212(b), 213, 82 Stat. 1036–1037.

ADVISORY COUNCIL ON COLLEGE LIBRARY RESOURCES

SEC. 205. (a) The Commissioner shall establish in the Office of Education an Advisory Council on College Library Resources consisting of the Commissioner, who shall be Chairman, and eight members appointed, without regard to the civil service laws, by the Commissioner with the approval of the Secretary.

(b) The Advisory Council shall advise the Commissioner with respect to establishing criteria for the making of supplemental grants under section 203 and the making of special purpose grants under section 204. The Commissioner may appoint such special advisory and technical experts and consultants as may be useful in carrying out the functions of the Advisory Council.

(20 U.S.C. 1025) Enacted Nov. 8, 1965, P.L. 89–329, Title II, sec. 205, 79 Stat. 1226; subsection (c) repealed April 13, 1970, P.L. 91–230, sec. 401(h) and superseded by pt. C of title IV of P.L. 90–247, as amended. (20 U.S.C. 1233c)

ACCREDITATION REQUIREMENT FOR PURPOSES OF THIS PART

SEC. 206. For the purposes of this part, an educational institution shall be deemed to have been accredited by a nationally recognized accrediting agency or association if the Commissioner determines that there is satisfactory assurance that upon acquisition of the library resources with respect to which assistance under this part is sought, or upon acquisition of those resources and other library resources planned to be acquired within a reasonable time, the institution will meet the accreditation standards of such agency or association.

(20 U.S.C. 1026) Enacted Nov. 8, 1965, P.L. 89–329, Title II, sec. 206, 79 Stat. 1226.

LIMITATION

SEC. 207. No grant may be made under this part for books, periodicals, documents, or other related materials to be used for sectarian instruction or religious worship, or primarily in connection with any part of the program of a school or department of divinity. For purposes of this section, the term "school or department of divinity" means an institution or a department or branch of an institution whose program is specifically for the education of students to prepare them to become ministers of religion or to enter upon some other religious vocation, or to prepare them to teach theological subjects.

(20 U.S.C. 1027) Enacted Nov. 8, 1965, P.L. 89–329, Title II, sec. 207, 79 Stat. 1227.

CONSULTATION WITH STATE AGENCY

SEC. 208. Each institution of higher education which receives a grant under this part shall periodically inform the State agency (if any) concerned with the educational activities of all institutions of higher education in the State in which such institution is located, of its activities under this part.

(20 U.S.C. 1028) Enacted Nov. 8, 1965, P.L. 89–329, Title II, sec. 208, 79 Stat. 1227.

Part B—Library Training and Research

APPROPRIATIONS AUTHORIZED

Sec. 221. There are authorized to be appropriated $15,000,000 for the fiscal year ending June 30, 1966, and for each of the two succeeding fiscal years, $11,800,000 for the fiscal year ending June 30, 1969, $28,000,000 for the fiscal year ending June 30, 1970, and $38,000,000 for the fiscal year ending June 30, 1971, for the purpose of carrying out this part.

(20 U.S.C. 1031) Enacted Nov. 8, 1965, P.L. 89–329, Title II, sec. 221, 79 Stat. 1227; amended Oct. 16, 1968, P.L. 90–575, Title II, sec 215, 82 Stat. 1037.

DEFINITION OF "LIBRARIANSHIP"

Sec. 222. For the purposes of this part the term "librarianship" means the principles and practices of the library and information sciences, including the acquisition, organization, storage, retrieval, and dissemination of information, and reference and research use of library and other information resources.

(20 U.S.C. 1032) Enacted Nov. 8, 1965, P.L. 89–329, Title II, sec. 222, 79 Stat. 1227.

GRANTS FOR TRAINING IN LIBRARIANSHIP

Sec. 223. (a) The Commissioner is authorized to make grants to institutions of higher education to assist them in training persons in librarianship. Such grants may be used by such institutions (1) to assist in covering the cost of courses of training or study (including short term or regular session institutes) for such persons, (2) for establishing and maintaining fellowships or traineeships with stipends (including allowances for traveling, subsistence, and other expenses) for fellows and others undergoing training and their dependents not in excess of such maximum amounts as may be prescribed by the Commissioner, and (3) for establishing, developing, or expanding programs of library and information science.

(b) The Commissioner may make a grant to an institution of higher education only upon application by the institution and only upon his finding that such program will substantially further the objective of increasing the opportunities throughout the Nation for training in librarianship.

(20 U.S.C. 1033) Enacted Nov. 8, 1965, P.L. 89–329, Title II, sec. 223, 79 Stat. 1227; amended Oct. 16, 1968, P.L. 90–575, Title II, sec. 216, 82 Stat. 1037.

RESEARCH AND DEMONSTRATIONS RELATING TO LIBRARIES AND THE TRAINING OF LIBRARY PERSONNEL

Sec. 224. (a) The Commissioner is authorized to make grants to institutions of higher education and other public or private agencies, institutions, and organizations, for research and demonstration projects relating to the improvement of libraries or the improvement of training in librarianship, including the development of new techniques, systems, and equipment for processing, storing, and distributing information, and for the dissemination of information derived from such research and demonstrations, and, without regard to section 3709 of the Revised Statutes (41 U.S.C. 5), to provide by contracts with them for the conduct of such activities; except that no such grant may be made to a private agency, organization, or institution other than a nonprofit one.

(b) The Commissioner is authorized to appoint a special advisory committee of not more than nine members to advise him on matters of general policy concerning research and demonstration projects relating to the improvement of libraries and the improvement of training in librarianship, or concerning special services necessary thereto or special problems involved therein.

(20 U.S.C. 1034) Enacted Nov. 8, 1965, P.L. 89–329, Title II, sec. 224, 79 Stat. 1228; subsec. (c) repealed Apr. 13, 1970, P.L. 91–230, sec. 401(h) and superseded by pt. C of title IV of P.L. 90–247, as amended. (20 U.S.C. 1233c))

REPEALER

Sec. 225. Effective July 1, 1967, section 1101 of the National Defense Education Act of 1958 is amended by adding the word "or" at the end of clause (2), by striking out clause (3), and by renumbering clause (4) as clause (3).

Enacted Nov. 8, 1965, P.L. 89–329, Title II, sec. 225, 79 Stat. 1228.

Part C—Strengthening College and Research Library Resources

APPROPRIATIONS AUTHORIZED

Sec. 231. There are hereby authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1966, $6,315,000 for the fiscal year ending June 30, 1967, $7,770,000 for the fiscal year ending June 30, 1968, $6,000,000 for the fiscal year ending June 30, 1969, and $11,000,000 for the fiscal year ending June 30, 1970, and the succeeding fiscal year, to enable the Commissioner to transfer funds to the Librarian of Congress for the purpose of—

(1) acquiring, so far as possible, copies of all library materials currently published throughout the world which are of value to scholarship;

(2) providing catalog information promptly and distributing this and other bibliographic information about library materials by printing catalog cards and by other means, and enabling the Library of Congress to use for exchange and other purposes such of these materials as are not needed for its own collections; and

(3) enabling the Librarian of Congress to pay administrative costs of cooperative arrangements for acquiring library materials published outside of the States and not readily obtainable outside of the country of origin, for institutions of higher education or combinations thereof for library purposes, or for other public or private nonprofit research libraries.

(20 U.S.C. 1041) Enacted Nov. 8, 1965, P.L. 89–329, Title II, sec. 231, 79 Stat. 1228; amended Oct. 16, 1968, P.L. 90–575, Title II, sec. 217, 218, 82 Stat. 1037–1038.

Title III—Strengthening Developing Institutions

STATEMENT OF PURPOSE AND APPROPRIATIONS AUTHORIZED

SEC. 301. (a) The purpose of this title is to assist in raising the academic quality of colleges which have the desire and potential to make a substantial contribution to the higher education resources of our Nation but which for financial and other reasons are struggling for survival and are isolated from the main currents of academic life, and to do so by enabling the Commissioner to establish a national teaching fellow program and to encourage and assist in the establishment of cooperative arrangements under which these colleges may draw on the talent and experience of our finest colleges and universities, and on the educational resources of business and industry, in their effort to improve their academic quality.

(b) (1) There is authorized to be appropriated the sum of $55,000,000 for the fiscal year ending June 30, 1966, the sum of $30,000,000 for the fiscal year ending June 30, 1967, the sum of $55,000,000 for the fiscal year ending June 30, 1968, the sum of $35,000,000 for the fiscal year ending June 30, 1969, the sum of $70,000,000 for the fiscal year ending June 30, 1970, and the sum of $91,000,000 for the fiscal year ending June 30, 1971, to carry out the provisions of this title.

(2) Of the sums appropriated pursuant to this section for any fiscal year, 77 per centum shall be available only for carrying out the provisions of this title with respect to developing institutions which plan to award one or more bachelor's degrees during such year.

(3) The remainder of the sums so appropriated shall be available only for carrying out the provisions of this title with respect to developing institutions which do not plan to award such a degree during such year.

(20 U.S.C. 1051) Enacted Nov. 8, 1965, P.L. 89–329, Title III, sec. 301. 79 Stat. 1229; amended Nov. 3, 1966, P.L. 89–752, sec. 10, 80 Stat. 1243; amended Oct. 16. 1968, P.L. 90–575, Title II, sec. 221, 222, 82 Stat. 1038.

DEFINITION OF "DEVELOPING INSTITUTION"

SEC. 302. As used in this title the term "developing institution" means a public or nonprofit educational institution in any State which—

(a) admits as regular students only persons having a certificate of graduation from a secondary school, or the recognized equivalent of such certificate;

(b) is legally authorized to provide, and provides within the State, an educational program for which it awards a bachelor's degree, or provides not less than a two-year program which is acceptable for full credit toward such a degree, or offers a two-year program in engineering, mathematics, or the physical or biological sciences which is designed to prepare the student to work as a technician and at a semiprofessional level in engineering, scientific, or other technological fields which require the understanding and application of basic engineering, scientific, or mathematical principles of knowledge;

(c) is accredited by a nationally recognized accrediting agency or association determined by the Commissioner to be reliable authority as to the quality of training offered or is, according to such an agency or association, making reasonable progress toward accreditation;

(d) has met the requirements of clauses (a) and (b) during the five academic years preceding the academic year for which it seeks assistance under this title;

(e) is making a reasonable effort to improve the quality of its teaching and administrative staffs and of its student services;

(f) is, for financial or other reasons, struggling for survival and is isolated from the main currents of academic life;

(g) meets such other requirements as the Commissioner may prescribe by regulation; and

(h) is not an institution, or department or branch of an institution, whose program is specifically for the education of students to prepare them to become ministers of religion or to enter upon some other religious vocation or to prepare them to teach theological subjects.

(20 U.S.C. 1052) Enacted Nov. 8, 1965, P.L. 89–329, Title III, sec. 302, 79 Stat. 1229.

ADVISORY COUNCIL ON DEVELOPING INSTITUTIONS

Sec. 303. (a) The Commissioner shall establish in the Office of Education an Advisory Council on Developing Institutions (hereinafter in this title referred to as the "Council"), consisting of the Commissioner who shall be Chairman, one representative each of such Federal agencies having responsibilities with respect to developing institutions as the Commissioner may designate, and eight members appointed, without regard to the civil service laws, by the Commissioner with the approval of the Secretary.

(b) The Council shall advise the Commissioner with respect to policy matters arising in the administration of this title and in particular shall assist the Commissioner in identifying those developing institutions through which the purposes of this title can best be achieved and in establishing priorities for use in approving applications under this title. The Commissioner may appoint such special advisory and technical experts, and consultants as may be useful in carrying out the functions of the Council.

(20 U.S.C. 1053) Enacted Nov. 8, 1965, P.L. 89–329, Title III, sec. 303, 79 Stat. 1230; subsec. (c) repealed Apr. 13, 1970, P.L. 91–230, sec. 401(h) and superseded by pt. C of title IV of P.L. 90–247, as amended. (20 U.S.C. 1233c)

GRANTS FOR COOPERATIVE AGREEMENTS TO STRENGTHEN DEVELOPING INSTITUTIONS

Sec. 304. (a) The Commissioner is authorized to make grants to developing institutions and other colleges and universities to pay part of the cost of planning, developing, and carrying out cooperative arrangements which show promise as effective measures for strengthening the academic programs and the administration of developing institutions. Such cooperative arrangements may be between developing institutions, between developing institutions and other colleges and universities, and between developing institutions and organizations, agencies, and business entities. Grants under this section may be used for projects and activities such as—

(1) exchange of faculty or students, including arrangements for bringing visiting scholars to developing institutions;

(2) faculty and administration improvement programs utilizing training, education (including fellowships leading to advanced degrees), internships, research participation, and other means;

(3) introduction of new curriculums and curricular materials;

(4) development and operation of cooperative education programs involving alternate periods of academic study and business or public employment;

(5) joint use of facilities such as libraries or laboratories, including necessary books, materials, and equipment; and

(6) other arrangements which offer promise of strengthening the academic programs and the administration of developing institutions.

(b) A grant may be made under this section only upon application to the Commissioner at such time or times and containing such information as he deems necessary. The Commissioner shall not approve an application unless it—

(1) sets forth a program for carrying out one or more projects or activities which meet the requirements of subsection (a) and provides for such methods of administration as are necessary for the proper and efficient operation of the program;

(2) sets forth policies and procedures which assure that Federal funds made available under this section for any fiscal year will be so used as to supplement and, to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be made available for purposes which meet the requirements of subsection (a), and in no case supplant such funds;

(3) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this section; and

(4) provides for making such reports, in such form and containing such information, as the Commissioner may require to carry out his functions under this title, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(c) The Commissioner shall, after consultation with the Council, establish criteria as to eligible expenditures for which grants made under this section may be used, which criteria shall be so designed as to prevent the use of such grants for expenditures not necessary to the achievement of the purposes of this title.

(20 U.S.C. 1054) Enacted Nov. 8, 1965, P.L. 89–329, Title III, sec. 304, 79 Stat. 1230.

NATIONAL TEACHING FELLOWSHIPS

Sec. 305. (a) The Commissioner is authorized to award fellowships under this section to highly qualified graduate students and junior members of the faculty of colleges and universities, to encourage such individuals to teach at developing institutions. The Commissioner shall award fellowships to individuals for teaching at developing institutions only upon application by an institution approved for this purpose by the Commissioner and only upon a finding by the Commissioner that the program of teaching set forth in the application is reasonable in the light of the qualifications of the teaching fellow and of the educational needs of the applicant.

(b) Fellowships may be awarded under this section for such period of teaching as the Commissioner may determine, but such period shall not exceed two academic years. Each person awarded a fellowship under the provisions of this section shall receive a stipend for each academic year of teaching of not more than $6,500, as determined by the Commissioner upon the advice of the Council, plus an additional amount of $400 for each such year on account of each of his dependents.

(20 U.S.C. 1055) Enacted Nov. 8, 1965, P.L. 89–329, Title III, sec. 305, 79 Stat. 1231.

PROFESSORS EMERITUS [2]

Sec. 306. (a) The Commissioner is authorized to award grants under this section, from funds appropriated for the purpose of this title, to professors retired from active duty at institutions of higher education (other than developing institutions) to encourage such professors to teach and to conduct research at developing institutions. Such grants may be awarded by the Commissioner (1) only upon application made by an institution and approved for this purpose by the Commissioner and (2) only upon a finding by the Commissioner that the program of teaching or research set forth in the application is reasonable in the light of the qualifications of the professor emeritus and of the educational needs of the applicant.

(b) The Commissioner shall undertake a program of dissemination of information concerning this section.

(c) Grants may be awarded under this section for such period of teaching or research as the Commissioner may determine. The amount of each grant awarded under the provisions of this section for each academic year of teaching or research shall be determined by the Commissioner upon the advice of the Council.

(20 U.S.C. 1056) Enacted Oct. 16, 1968, P.L. 90–575, Title II, sec. 223, 82 Stat. 1038.

Title IV—Student Assistance

Part A—Educational Opportunity Grants

STATEMENT OF PURPOSE AND APPROPRIATIONS AUTHORIZED

Sec. 401. (a) It is the purpose of this part to provide, through institutions of higher education, educational opportunity grants to assist in making available the benefits of higher education to qualified high school graduates of exceptional financial need, who for lack of financial means of their own or of their families would be unable to obtain such benefits without such aid.

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[2] This section becomes effective with respect to appropriations for fiscal years beginning after June 30, 1969.

(b) There are hereby authorized to be appropriated $70,000,000 for the fiscal year ending June 30, 1966, and for each of the three succeeding fiscal years, $125,000,000 for the fiscal year ending June 30, 1970, and $170,000,000 for the fiscal year ending June 30, 1971 to enable the Commissioner to make payments to institutions of higher education that have agreements with him entered into under section 407, for use by such institutions for payments to undergraduate students for the initial academic year of educational opportunity grants awarded to them under this part. There are further authorized to be appropriated such sums as may be necessary for payment to such institutions for use by them for making educational opportunity grants under this part to undergraduate students for academic years other than the initial year of their educational opportunity grants; but no appropriation may be made pursuant to this sentence for any fiscal year beginning more than three years after the last fiscal year for which an appropriation is authorized under the first sentence. Sums appropriated pursuant to this subsection for any fiscal year shall be available for payment to institutions until the close of the fiscal year succeeding the fiscal year for which they were appropriated. For the purposes of this subsection, payment for the first year of an educational opportunity grant shall not be considered as an initial-year payment if the educational opportunity grant was awarded for the continuing education of a student who had been previously awarded an educational opportunity grant under this part (whether by another institution or otherwise) and had received payment for any year of that educational opportunity grant.

(20 U.S.C. 1061) Enacted Nov. 8, 1965, P.L. 89-329, Title IV, sec. 401, 79 Stat. 1231; amended Oct. 16, 1968, P.L. 90-575, Title I, sec. 101, 82 Stat. 1017; amended Oct. 22, 1969, P.L. 91-95, sec. 4, 83 Stat. 143.

AMOUNT OF EDUCATIONAL OPPORTUNITY GRANT—ANNUAL DETERMINATION

SEC. 402. From the funds received by it for such purpose under this part, an institution of higher education which awards an educational opportunity grant to a student under this part shall, for the duration of the grant, pay to that student for each academic year during which he is in need of grant aid to pursue a course of study at the institution, an amount determined by the institution for such student with respect to that year, which amount shall not exceed the lesser of $1,000 or one-half of the sum of the amount of student financial aid (including assistance under this title, and including compensation paid under a work-study program assisted under part C of this title) provided such student by such institution and any assistance provided such student under any scholarship program established by a State or a private institution or organization, as determined in accordance with regulations of the Commissioner. If the amount of the payment determined under the preceding sentence for an academic year is less than $200 for a student, no payment shall be made under this title to that student for that year. The Commissioner shall, subject to the foregoing limitations, prescribe for the guidance of participating institutions basic criteria or schedules (or both) for the determination of the amount of any such educational opportunity grant, taking into account the objective of limiting grant aid under this part to students of exceptional financial need and such other factors, including the number of dependents in the family, as the Commissioner may deem relevant.

(20 U.S.C. 1062) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 402, 79 Stat. 1232; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 102, 82 Stat. 1017.

DURATION OF EDUCATIONAL OPPORTUNITY GRANT

SEC. 403. The duration of an educational opportunity grant awarded under this part shall be the period required for completion by the recipient of his undergraduate course of study at the institution of higher education from which he received the educational opportunity grant, except that such period shall not exceed four academic years less any such period with respect to which the recipient has previously received payments under this part pursuant to a prior educational opportunity grant (whether made by the same or another institution). An educational opportunity grant awarded under this part shall entitle the recipient to payments only if he (1) is maintaining satisfactory progress in the course of study which he is pursuing, according to the regularly prescribed standards and practices of the institution from which he received the grant, and (2) is devoting essentially full time to that course of study, during the academic year, in attendance at that institution. Failure to be in attendance at the institution during vacation periods or periods of military service, or during other periods during which the Commissioner determines in accordance with regulations that there is good cause for his nonattendance (during which periods he shall receive no payments) shall not be deemed contrary to clause (2).

(20 U.S.C. 1063) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 403, 79 Stat. 1233.

SELECTION OF RECIPIENTS OF EDUCATIONAL OPPORTUNITY GRANTS

SEC. 404. (a) An individual shall be eligible for the award of an educational opportunity grant under this part at any institution of higher education which has made an agreement with the Commissioner pursuant to section 407 (which institution is hereinafter in this part referred to as an "eligible institution"), if the individual makes application at the time and in the manner prescribed by that institution.

(b) From among those eligible for educational opportunity grants from an institution of higher education for each fiscal year, the institution shall, in accordance with the provisions of its agreement with the Commissioner under section 407 and within the amount allocated to the institution for that purpose for that year under section 406, select individuals who are to be awarded such grants and determine, pursuant to section 402, the amounts to be paid to them. An institution shall not award an educational opportunity grant to an individual unless it determines that—

(1) he has been accepted for enrollment as a full-time student at such institution or, in the case of a student already attending

such institution, is in good standing and in full-time attendance there as an undergraduate student;

(2) he shows evidence of academic or creative promise and capability of maintaining good standing in his course of study;

(3) he is of exceptional financial need; and

(4) he would not, but for an educational opportunity grant, be financially able to pursue a course of study at such institution of higher education.

(20 U.S.C. 1064) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 404, 79 Stat. 1233.

ALLOTMENT OF EDUCATIONAL OPPORTUNITY GRANT FUNDS AMONG STATES

SEC. 405. (a) (1) From the sums appropriated pursuant to the first sentence of section 401(b) for any fiscal year, the Commissioner shall allot to each State an amount which bears the same ratio to the amount so appropriated as the number of persons enrolled on a full-time basis in institutions of higher education in such State bears to the total number of persons enrolled on a full-time basis in institutions of higher education in all the States. The number of persons enrolled on a full-time basis in institutions of higher education for purposes of this section shall be determined by the Commissioner for the most recent year for which satisfactory data are available to him.

(2) If the total of the sums determined by the Commissioner to be required under section 406 for any fiscal year for eligible institutions in a State is less than the amount of the allotment to that State under paragraph (1) for that year, the Commissioner may reallot the remaining amount from time to time, on such date or dates as he may fix, to other States in such manner as he determines will best assist in achieving the purposes of this part.

(b) Sums appropriated pursuant to the second sentence of section 401(b) for any fiscal year shall be allotted or reallotted among the States in such manner as the Commissioner determines to be necessary to carry out the purposes for which such sums are appropriated.

(20 U.S.C. 1065) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 405, 79 Stat. 1234; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 101, 82 Stat. 1017.

ALLOCATION OF ALLOTTED FUNDS TO INSTITUTIONS

SEC. 406. (a) The Commissioner shall from time to time set dates by which eligible institutions in any State must file applications for allocation, to such institutions, of educational opportunity grant funds from the allotment to that State (including any reallotment thereo) for any fiscal year pursuant to section 405(a), to be used for the purposes specified in the first sentence of section 401(b). Such allocations shall be made in accordance with equitable criteria which the Commissioner shall establish and which shall be designed to achieve such distribution of such funds among eligible institutions within a State as will most effectively carry out the purposes of this part.

(b) The Commissioner shall further, in accordance with regulations, allocate to eligible institutions, in any State, from funds apportioned or reapportioned pursuant to section 405(b), funds to be used for the educational opportunity grants specified in the second sentence of section 401(b).

(c) Payment shall be made from allocations under this section to institutions as needed.

(20 U.S.C. 1066) Enacted Nov. 8, 1965, P.L. 89-329, Title IV, sec. 406, 79 Stat. 1234; amended Oct. 16, 1968, P.L. 90-575, Title I, sec. 101, 82 Stat. 1017.

AGREEMENTS WITH INSTITUTIONS—CONDITIONS

Sec. 407. (a) An institution of higher education which desires to obtain funds for educational opportunity grants under this part, shall enter into an agreement with the Commissioner. Such agreement shall—

(1) provide that funds received by the institution under this part will be used by it only for the purposes specified in, and in accordance with, the provisions of this part and of section 463 of this act (relating to administrative expenses);

(2) provide that in determining whether an individual meets the requirements of section 404(b)(3) the institution will (A) consider the source of such individual's income and that of any individual or individuals upon whom the student relies primarily for support, and (B) make an appropriate review of the assets of the student and of such individuals;

(3) provide that the institution, in cooperation with other institutions of higher education where appropriate, will make vigorous efforts to identify qualified youths of exceptional financial need and to encourage them to continue their education beyond secondary school through programs and activities such as—

(A) establishing or strengthening close working relationships with secondary-school principals and guidance and counseling personnel with a view toward motivating students to complete secondary school and pursue post-secondary-school educational oportunities, and

(B) making, to the extent feasible, conditional commitments for educational opportunity grants to qualified secondary school students with special emphasis on students enrolled in grade 11 or lower grades who show evidences of academic or creative promise;

(4) provide that the institution will meet the requirements of section 464 of this Act (relating to maintenance of effort);

(5) include provisions designed to make educational opportunity grants under this part reasonably available (to the extent of available funds) to all eligible students in the institution in need thereof; and

(6) include such other provisions as may be necessary to protect the financial interest of the United States and promote the purposes of this part.

(b)(1) An institution, which has in effect an agreement for Federal capital contributions for a student loan fund pursuant to title II of the National Defense Education Act of 1958, may use, as an additional Federal capital contribution for the purposes of such loan fund, not to exceed 25 per centum of the funds paid to it for any fiscal year ending prior to July 1, 1970, for the purpose set forth in section 401(b). The requirement in section 204(2)(B) of such Act shall not apply to such a Federal capital contribution.

(2) For the purpose of making payments from amounts appropriated pursuant to the second sentence of section 401(b), any institution electing for any fiscal year to use an amount of its payment as a Federal capital contribution pursuant to paragraph (1) shall be paid an equal amount for each of the succeeding three fiscal years from such amounts appropriated pursuant to such second sentence, if the amount so paid to the institution for each such year is used by such institution as such a Federal capital contribution.

(20 U.S.C. 1067) Enacted Nov. 8, 1965, P.L. 89-329, Title IV, sec. 407, 79 Stat. 1234; amended Oct. 16, 1968, P.L. 90-575, Title I, secs. 101, 103, 104, 82 Stat. 1017-1018.

IDENTIFYING QUALIFIED LOW-INCOME STUDENTS; PREPARING THEM FOR POST SECONDARY EDUCATION; SPECIAL SERVICES FOR SUCH STUDENTS IN INSTITUTIONS OF HIGHER EDUCATION

SEC. 408. (a) To assist in achieving the objectives of this part the Commissioner is authorized (without regard to section 3709 of the Revised Statutes (41 U.S.C. 5))—

(1) to make grants to, or contracts with, institutions of higher education and combinations of institutions of higher education for planning, developing, or carrying out one or more of the programs described in subsection (b),

(2) to make grants to, or contracts with, public and private nonprofit agencies and organizations (including professional and scholarly associations) and to make contracts with public and private agencies and organizations for planning, developing, or carrying out Talent Search programs described in subsection (b)(1), and

(3) in exceptional cases, to make grants to, or contracts with, secondary schools, and postsecondary educational institutions accredited by a State, for planning, developing, or carrying out Upward Bound programs described in subsection (b)(2).

No grant or contract for planning, developing, or carrying out a Talent Search program described in subsection (b)(1) may exceed $100,000 per year.

(b) The programs referred to in subsection (a) are—

(1) programs, to be known as "Talent Search", designed to—

(A) identify qualified youths of financial or cultural need with an exceptional potential for postsecondary educational training and encourage them to complete secondary school and undertake postsecondary educational training.

(B) publicize existing forms of student financial aid, including aid furnished under this title, and

(C) encourage secondary-school or college dropouts of demonstrated aptitude to reenter educational programs, including post-secondary-school programs;

(2) programs, to be known as "Upward Bound", (A) which are designed to generate skills and motivation necessary for success in education beyond high school and (B) in which enrollees from low-income backgrounds and with inadequate secondary-school preparation participate on a substantially full-time basis during all or part of the program; or

(3) programs, to be known as "Special Services for Disadvantaged Students", of remedial and other special services for students

with academic potential (A) who are enrolled or accepted for enrollment at the institution which is the beneficiary of the grant or contract, and (B) who, by reason of deprived educational, cultural, or economic background, or physical handicap, are in need of such services to assist them to initiate, continue, or resume their postsecondary education.

(c)(1) Upward Bound programs under paragraph (2) of subsection (b) must include arrangements to assure cooperation among one or more institutions of higher education and one or more secondary schools. Such programs must include necessary health services. Enrollees in such programs may not receive stipends in excess of $30 per month. The cost of carrying out any such program may not exceed $150 per enrollee per month. Federal financial assistance by way of grant or contract for such a program may not be in excess of 80 per centum of the cost of carrying out such program. The Commissioner may, however, approve assistance in excess of such percentage if he determines, in accordance with regulations establishing objective criteria, that such action is required in furtherance of the purposes of this section.[1] Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, or services. Such programs shall be carried on within the States.

(2) Special Services for Disadvantaged Students programs carried on under paragraph (3) of subsection (b) may provide, among other things, for—

(A) counseling, tutorial, or other educational services, including special summer programs, to remedy such students' academic deficiencies,

(B) career guidance, placement, or other student personnel services to encourage or facilitate such students' continuance or reentrance in higher education programs, or

(C) identification, encouragement, and counseling of any such students with a view to their undertaking a program of graduate or professional education.

(d) There are authorized to be appropriated to carry out this section $10,000,000 in the fiscal year ending June 30, 1969 (of which $500,000 shall be available in connection with planning and related activities for Upward Bound programs described in subsection (b)(2)), $56,680,000 for the fiscal year ending June 30, 1970, and $96,000,000 for the fiscal year ending June 30, 1971.[2]

(20 U.S.C. 1068) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 408, 79 Stat. 1235; amended, Oct. 16, 1968, P.L. 90–575, Title I, sec. 105, 82 Stat. 1018–1019; amended Apr. 13, 1970, P.L. 91–230, sec. 801, 84 Stat. 190.

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[1] Apparent error. This paragraph has been altered for purpose of clarity. Section 801 of P.L. 91–230 technically requires the two sentences beginning with "The Commissioner" to be placed behind the third sentence of this paragraph.

[2] Sec 105(c) of the Higher Education Amendments of 1968 states:

"(c)(1) On July 1, 1969, all functions, powers, and duties of the Director of the Office of Economic Opportunity with respect to Upward Bound programs are transferred to the Commissioner of Education. No provision of law which limits the number of persons who may be appointed as full-time civilian employees, or temporary and part-time employees, in the executive branch of the Government shall apply to employees of the Office of Education whose duties the Director of the Bureau of the Budget determines primarily relate (A) to programs carried out under section 408(b)(2) of the Higher Education Act of 1965, or (B) to functions transferred by this paragraph. In applying any such provision of law to the departments and agencies in the executive branch, the number of such employees of the Office of Education shall not be taken into account.

"(2) For purposes of this subsection the term 'Upward Bound program' means a program carried out under section 222(a)(5) of the Economic Act of 1964 (as so designated prior to the amendment made by subsection (b) of this section) or a comparable program carried out under section 221 of such Act."

DEFINITION OF "ACADEMIC YEAR"

Sec. 409. As used in this part, the term "academic year" means an academic year or its equivalent as defined in regulations of the Commissioner.

(20 U.S.C. 1069) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 409, 79 Stat. 1236.

[Note.—The following provisions govern all loans made under the Student Loan Program after December 14, 1968.]

Part B—Federal, State, and Private Programs of Low-Interest Insured Loans to Students in Institutions of Higher Education [3]

STATEMENT OF PURPOSE AND APPROPRIATIONS AUTHORIZED

Sec. 421. (a) The purpose of this part is to enable the Commissioner (1) to encourage States and nonprofit private institutions and organizations to establish adequate loan insurance programs for students in eligible institutions (as defined in section 435), (2) to provide a Federal program of student loan insurance for students or lenders who do not have reasonable access to a State or private nonprofit program of student loan insurance covered by an agreement under section 428(b), (3) to pay a portion of the interest on loans to qualified students which are made by a State under a direct loan program meeting the requirements of section 428(a)(1)(B), or which are insured under this part or under a program of a State or of a nonprofit private institution or organization which meets the requirements of section 428(a)(1)(C), and (4) to guarantee a portion of each loan insured under a program of a State or of a nonprofit private institution or organization which meets the requirements of section 428(a)(1)(C).

(b) For the purpose of carrying out this part—

(1) there are authorized to be appropriated to the student loan insurance fund (established by section 431) (A) the sum of $1,000,000, and (B) such further sums, if any, as may become necessary for the adequacy of the student loan insurance fund,

(2) there are authorized to be appropriated, for payments under section 428 with respect to interest and administrative cost allowances on student loans and for payments under section 437, such sums for the fiscal year ending June 30, 1966, and succeeding fiscal years, as may be required therefor,

(3) there is authorized to be appropriated the sum of $17,500,000 for making advances pursuant to section 422 for the reserve funds of State and nonprofit private student loan insurance programs, and

(4) there is authorized to be appropriated the sum of $12,500,000 for making advances after June 30, 1968, pursuant to section 422 for the reserve funds of State and nonprofit private student loan insurance programs.

Sums appropriated under clauses (1), (2) and (4) of this subsection shall remain available until expended, and sums appropriated under clause (3) of this subsection shall remain available for advances under section 422 until the close of the fiscal year ending June 30, 1968.

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[3] The Emergency Insured Student Loan Act of 1969" modifies title IV–B with respect to special allowances for lenders of insured student loans. Text appears on page 226.

(20 U.S.C. 1071) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 421, 79 Stat. 1236; amended Aug. 3, 1968, P.L. 90–460, secs. 2, 3, 82 Stat. 635–6; amended Oct. 16, 1968, P.L. 90–575, Title I, secs. 113, 114, 119, 82 Stat. 1020, 1021, 1027.

ADVANCES FOR RESERVE FUNDS OF STATE AND NONPROFIT PRIVATE LOAN INSURANCE PROGRAMS

SEC. 422. (a)(1) From the sums appropriated pursuant to clauses (3) and (4) of section 421(b), the Commissioner is authorized to make advances to any State with which he has made an agreement pursuant to section 428(b) for the purpose of helping to establish or strengthen the reserve fund of the student loan insurance program covered by that agreement. If for any fiscal year a State does not have a student loan insurance program covered by an agreement made pursuant to section 428(b), and the Commissioner determines after consultation with the chief executive officer of that State that there is no reasonable likelihood that the State will have such a student loan insurance program for such year, the Commissioner may make advances for such year for the same purpose to one or more nonprofit private institutions or organizations with which he has made an agreement pursuant to section 428(b) in order to enable students in that State to participate in a program of student loan insurance covered by such an agreement. The Commissioner may make advances under this subsection both to a State program (with which he has such an agreement) and to one or more nonprofit private institutions or organizations (with which he has such an agreement) in that State if he determines that such advances are necessary in order that students in each eligible institution have access through such institution to a student loan insurance program which meets the requirements of section 428(b)(1).

(2) No advance shall be made after June 30, 1968, unless matched by an equal amount from non-Federal sources. Such equal amount may include the unencumbered non-Federal portion of a reserve fund. As used in the preceding sentence, the term "unencumbered non-Federal portion" means the amount (determined as of the time immediately preceding the making of the advance) of the reserve fund less the greater of (A) the sum of (i) advances made under this section prior to July 1, 1968, (ii) an amount equal to twice the amount of advances made under this section after June 30, 1968, and before the advance for purposes of which the determination is made, and (iii) the proceeds of earnings on advances made under this section, or (B) any amount which is required to be maintained in such fund pursuant to State law or regulation, or by agreement with lenders, as a reserve against the insurance of outstanding loans.

(3) Advances pursuant to this subsection shall be upon such terms and conditions (including conditions relating to the time or times of payment) consistent with the requirements of section 428(b) as the Commissioner determines will best carry out the purposes of this section. Advances made by the Commissioner under this subsection shall be repaid within such period as the Commissioner may deem to be appropriate in each case in the light of the maturity and solvency of the reserve fund for which the advance was made.

(b) (1) The total of the advances to any State prior to July 1, 1968, pursuant to subsection (a) may not exceed an amount which bears the same ratio to 2½ per centum of $700,000,000 as the population of that State aged eighteen to twenty-two, inclusive, bears to the total population of all the States aged eighteen to twenty-two, inclusive. The amount available, however, for advances to any State for each fiscal year ending prior to July 1, 1968, shall not be less than $25,000, and any additional funds needed to meet this requirement shall be derived by proportionately reducing (but not below $25,000 per year) the amount available for advances to each of the remaining States. Advances to nonprofit private institutions and organizations prior to July 1, 1968, pursuant to subsection (a) may be in such amounts as the Commissioner determines will best achieve the purposes for which they are made, except that the sum of (1) advances to such institutions and organizations for the benefit of students in any State plus (2) the amounts advanced to such State, may not exceed the maximum amount which may be advanced to that State pursuant to the first two sentences of this subsection.

(2) The total of the advances from the sums appropriated pursuant to clause (4) of section 421(b)(A) to nonprofit private institutions and organizations for the benefit of students in any State and (B) to such State may not exceed an amount which bears the same ratio to such sums as the population of such State aged eighteen to twenty-two, inclusive, bears to the population of all the States aged eighteen to twenty-two, inclusive, but such advances may otherwise be in such amounts as the Commissioner determines will best achieve the purposes for which they are made. The amount available, however, for advances to any State shall not be less than $25,000, and any additional funds needed to meet this requirement shall be derived by proportionately reducing (but not below $25,000) the amount available for advances to each of the remaining States.

(3) For the purposes of this subsection, the population aged eighteen to twenty-two, inclusive, of each State and of all the States shall be determined by the Commissioner on the basis of the most recent satisfactory data available to him.

(20 U.S.C. 1072) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 422, 79 Stat. 1236; amended Nov. 3, 1966, P.L. 89–752, sec. 11, 80 Stat. 1243; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 114, 82 Stat. 1021.

EFFECTS OF ADEQUATE NON-FEDERAL PROGRAMS

SEC. 423. (a) Except as provided in subsection (b), the Commissioner shall not issue certificates of insurance under section 429 to lenders in a State if he determines that every eligible institution has reasonable access in that State to a State or private nonprofit student loan insurance program which is covered by an agreement under section 428(b).

(b) The Commissioner may issue certificates of insurance under section 429 to a lender in a State—

(1) for insurance of a loan made to a student borrower who does not, by reason of his residence, have access to loan insurance under the loan insurance program of such State (or under any private nonprofit loan insurance program which has received an

advance under section 422 for the benefit of students in such State), or

(2) for insurance of all of the loans made to student borrowers by a lender who satisfies the Commissioner that, by reason of the residence of such borrowers, he will not have access to any single State or nonprofit private loan insurance program which will insure substantially all of the loans he intends to make to such student borrowers.

(20 U.S.C. 1073) Enacted Nov. 8, 1965, P.L. 89-329, Title IV, sec. 423, 79 Stat. 1237; amended Oct. 16, 1968, P.L. 90-575, sec. 119, 82 Stat. 1026.

SCOPE AND DURATION OF FEDERAL LOAN INSURANCE PROGRAM

SEC. 424. (a) The total principal amount of new loans made and installments paid pursuant to lines of credit (as defined in section 435) to students covered by Federal loan insurance under this part shall not exceed $700,000,000 in the fiscal year ending June 30, 1966, $1,000,000,000 in the fiscal year ending June 30, 1967, and $1,400,000,000 in the fiscal year ending June 30, 1968, and each of the three succeeding fiscal years. Thereafter, Federal loan insurance pursuant to this part may be granted only for loans made (or for loan installments paid pursuant to lines of credit) to enable students, who have obtained prior loans insured under this part, to continue or complete their educational program; but no insurance may be granted for any loan made or installment paid after June 30, 1975.

(b) The Commissioner may, if he finds it necessary to do so in order to assure an equitable distribution of the benefits of this part, assign, within the maximum amounts specified in subsection (a), Federal loan insurance quotas applicable to eligible lenders, or to States or areas, and may from time to time reassign unused portions of these quotas.

(20 U.S.C. 1074) Enacted Nov. 8, 1965, P.L. 89-329, Title IV, sec. 424, 79 Stat. 1237; amended Aug. 3, 1968, P.L. 90-460, sec. 1, 82 Stat. 634; amended Oct. 16, 1968, P.L. 90-575, Title I, sec. 112, 82 Stat. 1020.

LIMITATIONS ON INDIVIDUAL FEDERALLY INSURED LOANS AND ON FEDERAL LOAN INSURANCE

SEC. 425. (a) The total of the loans made to a student in any academic year or its equivalent (as determined under regulations of the Commissioner) which may be covered by Federal loan insurance under this part may not exceed $1,500. The aggregate insured unpaid principal amount of all such insured loans made to any student shall not at any time exceed $7,500. The annual insurable limit per students shall not be deemed to be exceeded by a line of credit under which actual payments by the lender to the borrower will not be made in any year in excess of the annual limit.

(b) The insurance liability on any loan insured by the Commissioner under this part shall be 100 per centum of the unpaid balance of the principal amount of the loan. Such insurance liability shall not include liability for interest whether or not that interest has been added to the principal amount of the loan.

(20 U.S.C. 1075) Enacted Nov. 8, 1965, P.L. 89-329, Title IV, sec. 425, 79 Stat. 1238; amended Oct. 16, 1968, P.L. 90-575, Title I, secs. 116, 120, 82 Stat. 1023 and 1027.

SOURCES OF FUNDS

SEC. 426. Loans made by eligible lenders in accordance with this part shall be insurable by the Commissioner whether made from funds fully owned by the lender or from funds held by the lender in a trust or similar capacity and available for such loans.

(20 U.S.C. 1076) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 426, 79 Stat. 1238.

ELIGIBILITY OF STUDENT BORROWERS AND TERMS OF FEDERALLY INSURED STUDENT LOANS

SEC. 427. (a) A loan by an eligible lender shall be insurable by the Commissioner under the provisions of this part only if—

(1) made to a student who (A) has been accepted for enrollment at an eligible institution or, in the case of a student already attending such institution, is in good standing there as determined by the institution, and (B) is carrying at least one-half of the normal full-time workload as determined by the institution, and (C) has provided the lender with a statement of the institution which sets forth a schedule of the tuition and fees applicable to that student and its estimate of the cost of board and room for such a student; and

(2) evidenced by a note or other written agreement which—

(A) is made without security and without endorsement, except that if the borrower is a minor and such note or other written agreement executed by him would not, under the applicable law, create a binding obligation, endorsement may be required,

(B) provides for repayment (except as provided in subsection (c)) of the principal amount of the loan in installments over a period of not less than five years (unless sooner repaid) nor more then ten years beginning not earlier than nine months nor later than one year after the date on which the student ceases to carry at an eligible institution at least one-half the normal full-time academic workload as determined by the institution, except (i) as provided in clause (C) below (ii) that the period of the loan may not exceed fifteen years from the execution of the note or written agreement evidencing it and (iii) that the note or other written instrument may contain such provisions relating to repayment in the event of default in the payment of interest or in the payment of the cost of insurance premiums, or other default by the borrower, as may be authorized by regulations of the Commissioner in effect at the time the loan is made.

(C) provides that periodic installments of principal need not be paid, but interest shall accrue and be paid, during any period (i) during which the borrower is pursuing a full-time course of study at an "eligible institution", (ii) not in excess of three years, during which the borrower is a member of the Armed Forces of the United States, (iii) not in excess of three years during which the borrower is in service as a volunteer under the Peace Corps Act, or (iv) not in excess of three years during which the borrower is in service as a full time volunteer under Title VIII of the Economic Opportunity Act of 1964, and any such period shall not be included in determining the ten-year period or the fifteen-year period provided in clause (B) above.

(D) provides for interest on the unpaid principal balance of the loan at a yearly rate, not exceeding the applicable maximum rate prescribed and defined by the Secretary (within the limits set forth in subsection (b)) on a national, regional, or other appropriate basis, which interest shall be payable in installments over the period of the loan except that, if provided in the note or other written agreement, any interest payable by the student may be deferred until not later than the date upon which repayment of the first installment of principal falls due, in which case interest that has so accrued during that period may be added on that date to the principal (but without thereby increasing the insurance liability under this part),

(E) provides that the lender will not collect or attempt to collect from the borrower any portion of the interest on the note which is payable by the Commissioner under this part, and that the lender will enter into such agreements with the Commissioner as may be necessary for the purposes of section 437,

(F) entitles the student borrower to accelerate without penalty repayment of the whole or any part of the loan, and

(G) contains such other terms and conditions, consistent with the provisions of this part and with the regulations issued by the Commissioner pursuant to this part, as may be agreed upon by the parties to such loan, including, if agreed upon, a provision requiring the borrower to pay to the lender, in addition to principal and interest, amounts equal to the insurance premiums payable by the lender to the Commissioner with respect to such loan.

(b) No maximum rate of interest prescribed and defined by the Secretary for the purposes of clause (2)(D) of subsection (a) may exceed 7 per centum per annum on the unpaid principal balance of the loan.

(c) The total of the payments by a borrower during any year of any repayment period with respect to the aggregate amount of all loans to that borrower which are are insured under this part, or which are made by a State or the Commissioner under section 425(a)(1)(B) or 433, respectively, shall not be less than $360 or the balance of all of such loans (together with interest thereon), whichever amount is less.

(20 U.S.C. 1077) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 427, 79 Stat 1238, amended Nov. 8, 1966, P.L. 89–794, Title XI, sec. 1101(b), 80 Stat. 1476; amended Aug. 3, 1968, P.L. 90–460, sec. 2, 82 Stat. 635; amended Oct. 16, 1968 P.L. 90–575, Title I, sec. 113, 116, 120, 82 Stat. 1021, 1023, 1027.

FEDERAL PAYMENTS TO REDUCE STUDENT INTEREST COSTS

SEC. 428. (a)(1) Each student who has received a loan for study at an eligible institution—

(A) which is insured by the Commissioner under this part;

(B) which was made under a State student loan program (meeting criteria prescribed by the Commissioner), and which was contracted for, and paid to the student, within the period specified by paragraph (4); or

(C) which is insured under a program of a State or of a nonprofit private institution or organization which was contracted for, and paid to the student, within the period specified in paragraph (4), and which—

(i) in the case of a loan insured prior to July 1, 1967, was made by an eligible lender and is insured under a program which meets the requirements of subparagraph (E) of subsection (b)(1) and provides that repayment of such loan shall be in installments beginning not earlier than sixty days after the student ceases to pursue a course of study (as described in subparagraph (D) of subsection (b)(1) at an eligible institution, or

(ii) in the case of a loan insured after June 30, 1967, is insured under a program covered by an agreement made pursuant to subsection (b),

and whose adjusted family income is less than $15,000 at the time of execution of the note or written agreement evidencing such loan, shall be entitled to have paid on his behalf and for his account to the holder of the loan, a portion of the interest on the loan. In addition, the Commissioner shall pay an administrative cost allowance in the amount established by paragraph (2)(B) of this subsection with respect to loans to any such student but without regard to the student's adjusted family income. For the purposes of this paragraph, the adjusted family income of a student shall be determined pursuant to regulations of the Commissioner in effect at the time of the execution of the note or written agreement evidencing the loan. Such regulations shall provide for taking into account such factors, including family size, as the Commissioner deems appropriate. In the absence of fraud by the lender, such determination of the adjusted family income of a student shall be final insofar as it concerns the obligation of the Commissioner to pay the holder of a loan a portion of the interest on the loan.

(2)(A) The portion of the interest on a loan which a student is entitled to have paid on his behalf and for his account to the holder of the loan pursuant to paragraph (1) of this subsection shall be equal to the total amount of the interest on the unpaid principal amount of the loan which accrues prior to the beginning of the repayment period of the loan, or which accrues during a period in which principal need not be paid (whether or not such principal is in fact paid) by reason of a provision described in subsection (e) of this section or in section 427(a)(2)(C); but such portion of the interest on a loan shall not exceed, for any period, the amount of the interest on that loan which is payable by the student after taking into consideration the amount of any interest on that loan which the student is entitled to have paid on his behalf for that period under any State or priavte loan insurance program. The holder of a loan with respect to which payments are required to be made under this section shall be deemed to have a contractual right, as against the United States, to receive from the Commissioner the portion of interest which has been so determined and the administrative cost allowance payable under this subsection. The

Commissioner shall pay this portion of the interest and administrative cost allowance to the holder of the loan on behalf of and for the account of the borrower at such times as may be specified in regulations in force when the applicable agreement entered into pursuant to subsection (b) was made, or if the loan was made by a State or is insured under a program which is not covered by such an agreement, at such times as may be specified in regulations in force at the time the loan was paid to the student.

(B) If (i) a State student loan insurance program is covered by an agreement under subsection (b), (ii) a statute of such State limits the interest rate on loans insured by such program to a rate which is less than 7 per centum per annum on the unpaid principal balance, and (iii) the Commissioner determines that section 428(d) does not make such statutory limitation inapplicable and that such statutory limitation threatens to impede the carrying out of the purposes of this part, then he may pay an administrative cost allowance to the holder of each loan which is insured under such program and which is made during the period beginning on the sixtieth day after the date of enactment of the Higher Education Amendments of 1968 and ending 120 days after the adjournment of such State's first regular legislative session which adjourns after January 1, 1969. Such administrative cost allowance shall be paid over the term of the loan in an amount per annum (determined by the Commissioner) which shall not exceed 1 per centum of the unpaid principal balance of the loan.

(3) Each holder of a loan with respect to which payments of interest or of administrative cost allowances are required to be made by the Commissioner shall submit to the Commissioner, at such time or times and in such manner as he may prescribe, statements containing such information as may be required by or pursuant to regulation for the purpose of enabling the Commissioner to determine the amount of the payment which he must make with respect to that loan.

(4) The period referred to in subparagraphs (B) and (C) of paragraph (1) of this subsection shall begin on the date of enactment of this Act and end at the close of June 30, 1971, except that, in the case of a loan made or insured under a student loan or loan insurance program to enable a student who has obtained a prior loan made or insured under such program to continue his educational program, such period shall end at the close of June 30, 1975.

(5) No payment may be made under this section with respect to the interest on a loan made from a student loan fund established under title II of the National Defense Education Act of 1958.

(b)(1) Any State or any nonprofit private institution or organization may enter into an agreement with the Commissioner for the purpose of entitling students who receive loans which are insured under a student loan insurance program of that State, institution, or organization to have made on their behalf the payments provided for in subsection (a) if the Commissioner determines that the student loan insurance program—

(A) authorizes the insurance of not less than $1,000 nor more than $1,500 in loans to any individual student in any academic year or its equivalent (as determined under regulations of the Commissioner), which limit shall not be deemed exceeded by a line of credit under which actual payments by the lender to the borrower will not be made in any such year in excess of such annual limit; and provides that the aggregate insured unpaid principal amount of all such insured loans made to any student shall not at any time exceed $7,500;

(B) authorizes the insurance of loans to any individual student for at least six academic years of study or their equivalent (as determined under regulations of the Commissioner);

(C) provides that (i) the student borrower shall be entitled to accelerate without penalty the whole or any part of an insured loan, (ii) except as provided in subsection (e) of this section, the period of any insured loan may not exceed fifteen years from the date of execution of the note or other written evidence of the loan, and (iii) the note or other written evidence of any loan may contain such provisions relating to repayment in the event of default by the borrower as may be authorized by regulations of the Commissioner in effect at the time such note or written evidence was executed;

(D) subject to paragraphs (C) and (K) of this paragraph and except as provided by subsection (e) of this section provides that repayment of loans shall be in installments over a period of not less than five years nor more than ten years beginning not earlier than nine months nor later than one year after the student ceases to pursue a full-time course of study at an eligible institution, except that if the program provides for the insurance of loans for part-time study at eligible institutions the program shall provide that such repayment period shall begin not earlier than nine months nor later than one year after the student ceases to carry at an eligible institution at least one-half the normal full-time academic workload as determined by the institution;

(E) authorizes interest on the unpaid balance of the loan at a yearly rate not in excess of 7 per centum per annum on the unpaid principal balance of the loan (exclusive of any premium for insurance which may be passed on to the borrower);

(F) insures not less than 80 per centum of the unpaid principal of loans insured under the program;

(G) does not provide for collection of an excessive insurance premium;

(H) provides that the benefits of the loan insurance program will not be denied any student because of his family income or lack of need if his adjusted family income at the time the note or written agreement is executed is less than $15,000 (as determined pursuant to the regulations of the Commissioner prescribed under section 428(a)(1);

(I) provides that a student may obtain insurance under the program for a loan for any year of study at an eligible institution:

(J) in the case of a State program, provides that such State program is administered by a single State agency, or by one or more nonprofit private institutions or organizations under the supervision of a single State agency; and

(K) provides that the total of the payments by a borrower during any year of any repayment period with respect to the aggregate amount of all loans to that borrower which are (i) insured under this part, or (ii) made by a State or the Commissioner under section 428(a)(1)(B) or 433, respectively, shall not be less than $360 or the balance of all such loans (together with interest thereon), whichever amount is less.

(2) Such an agreement shall—

(A) provide that the holder of any such loan will be required to submit to the Commissioner, at such time or times and in such manner as he may prescribe, statements containing such information as may be required by or pursuant to regulation for the purpose of enabling the Commissioner to determine the amount of the payment which he must make with respect to that loan;

(B) include such other provisions as may be necessary to protect the financial interest of the United States and promote the purposes of this part, including such provisions as may be necessary for the purpose of section 437, and as are agreed to by the Commissioner and the State or nonprofit private organization or institution, as the case may be; and

(C) provide for making such reports in such form and containing such information as the Commissioner may reasonably require to carry out his function under this part and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(c)(1) The Commissioner may enter into a guaranty agreement with any State or any nonprofit private institution or organization with which he has an agreement pursuant to subsection (b), whereby the Commissioner shall undertake to reimburse it, under such terms and conditions as he may establish, in an amount equal to 80 per centum of the amount expended by it in discharge of its insurance obligation. incurred under its loan insurance program, with respect to losses (resulting from the default of the student borrower) on the unpaid balance of the principal (other than interest added to principal) of any insured loan with respect to which a portion of the interest (A) is payable by the Commissioner under subsection (a), or (B) would be payable under such subsection but for the adjusted family income of the borrower.

(2) The guaranty agreement—

(A) shall set forth such administrative and fiscal procedures as may be necessary to protect the United States from the risk of unreasonable loss thereunder, to insure proper and efficient administration of the loan insurance program, and to assure that due diligence will be exercised in the collection of loans insured under the program;

(B) shall provide for making such reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this subsection, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports;

(C) shall set forth adequate assurance that, with respect to so much of any loan insured under the loan insurance program as may be guaranteed by the Commissioner pursuant to this subsection, the undertaking of the Commissioner under the guaranty agreement is acceptable in full satisfaction of State law or regulation requiring the maintenance of a reserve;

(D) shall provide that if, after the Commissioner has made payment under the guaranty agreement pursuant to paragraph (1) of this subsection with respect to any loan, any payments are made in discharge of the obligation incurred by the borrower with respect to such loan (including any payments of interest accruing on such loan after such payment by the Commissioner), there shall be paid over to the Commissioner (for deposit in the fund established by section 431) such proportion of the amounts of such payments as is determined (in accordance with regulations prescribed by the Commissioner) to represent his equitable share thereof, but shall not otherwise provide for subrogation of the United States to the rights of any insurance beneficiary: *Provided*, That, except as the Commissioner may otherwise by or pursuant to regulation provide, amounts so paid by a borrower on such a loan shall be first applied in reduction of principal owing on such loan; and

(E) may include such other provisions as may be necessary to promote the purposes of this part.

(3) To the extent provided in regulations of the Commissioner, a guaranty agreement under this subsection may contain provisions which permit such forbearance for the benefit of the student borrower as may be agreed upon by the parties to an insured loan and approved by the insurer.

(4) For purposes of this subsection, the terms "insurance beneficiary" and "default" shall have the meanings assigned to them by section 430(e).

(5) In the case of any guaranty agreement entered into prior to September 1, 1969, with a State or nonprofit private institution or organization with which the Commissioner has in effect on that date an agreement pursuant to subsection (b) of this section, or section 9(b) of the National Vocational Student Loan Insurance Act of 1965, made prior to the date of enactment of this subsection, the Commissioner may, in accordance with the terms of this subsection, undertake to guarantee loans described in paragraph (1) which are insured by such State, institution, or organization and are outstanding on the date of execution of the guaranty agreement, but only with respect to defaults occurring after the execution of such guaranty agreement or, if later, after its effective date.

(d) No provision of any law of the United States (other than sections 427(a)(2)(D) and 427(b) of this Act) or of any State (other than a statute applicable principally to such State's student loan insurance program) which limits the rate or amount of interest payable on loans shall apply to a loan—

(1) which bears interest (exclusive of any premium for insurance) on the unpaid principal balance at a rate not in excess of 7 per centum per annum, and

(2) which is insured (A) by the United States under this part, or (B) by a State or nonprofit private institution or organization

under a program covered by an agreement made pursuant to subsection (b) of this section.

(e) The Commissioner shall encourage the inclusion, in any State student loan program or any State or nonprofit private student loan insurance program meeting the requirements of subsection (a)(1)(B) or (a)(1)(C), of provisions authorizing or requiring that in the case of student loans covered by such program periodic installments of principal need not be paid, but interest shall accrue and be paid, during any period (1) during which the borrower is pursuing a full-time course of study at an eligible institution, (2) not in excess of three years during which the borrower is a member of the Armed Forces of the United States, (3) not in excess of three years during which the borrower is in service as a volunteer under the Peace Corps Act, or (4) not in excess of three years during which the borrower is in service as a full-time volunteer under title VIII of the Economic Opportunity Act of 1964. In the case of any such State or nonprofit private program containing such a provision any such period shall be excluded in determining the period specified in subsection (b)(1)(C)(ii), or the maximum period for repayment specified in subsection (b)(1)(D).

(20 U.S.C. 1078) Enacted Nov. 8, 1965, P.L. 89-329, Title IV, sec. 428, 79 Stat. 1240; amended Aug. 3, 1968, P.L. 90-460, sec. 1, 2, 3, 82 Stat. 634-638; amended Oct. 16, 1968, P.L. 90-575, Title I, sec. 111, 112, 113, 115, 116, 117, 120, 82 Stat. 1020-27.

CERTIFICATE OF FEDERAL LOAN INSURANCE—EFFECTIVE DATE OF INSURANCE

Sec. 429. (a)(1) If, upon application by an eligible lender, made upon such form, containing such information, and supported by such evidence as the Commissioner may require, and otherwise in conformity with this section, the Commissioner finds that the applicant has made a loan to an eligible student which is insurable under the provisions of this part, he may issue to the applicant a certificate of insurance covering the loan and setting forth the amount and terms of the insurance.

(2) Insurance evidenced by a certificate of insurance pursuant to subsection (a)(1) shall become effective upon the date of issuance of the certificate, except that the Commissioner is authorized, in accordance with regulations, to issue commitments with respect to proposed loans, or with respect to lines (or proposed lines) of credit, submitted by eligible lenders, and in that event, upon compliance with subsection (a)(1) by the lender, the certificate of insurance may be issued effective as of the date when any loan, or any payment by the lender pursuant to a line of credit, to be covered by such insurance was made. Such insurance shall cease to be effective upon sixty days' default by the lender in the payment of any installment of the premiums payable pursuant to subsection (c).

(3) An application submitted pursuant to subsection (a)(1) shall contain (A) an agreement by the applicant to pay, in accordance with regulations, the premiums fixed by the Commissioner pursuant to subsection (c), and (B) an agreement by the applicant that if the loan is covered by insurance the applicant will submit such supplementary reports and statements during the effective period of the loan agreement, upon such forms, at such times, and containing such information as the Commissioner may prescribe by or pursuant to regulation.

(b)(1) In lieu of requiring a separate insurance application and issuing a separate certificate of insurance for each student loan made by an eligible lender as provided in subsection (a), the Commissioner may, in accordance with regulations consistent with section 424, issue to any eligible lender applying therefor a certificate of comprehensive insurance coverage which shall, without further action by the Commissioner, insure all insurable loans made by that lender, on or after the date of the certificate and before a specified cutoff date, within the limits of an aggregate maximum amount stated in the certificate. Such regulations may provide for conditioning such insurance, with respect to any loan, upon compliance by the lender with such requirements (to be stated or incorporated by reference in the certificate) as in the Commissioner's judgment will best achieve the purpose of this subsection while protecting the financial interest of the United States and promoting the objectives of this part, including (but not limited to) provisions as to the reporting of such loans and information relevant thereto to the Commissioner and as to the payment of initial and other premiums and the effect of default therein, and including provision for confirmation by the Commissioner from time to time (through endorsement of the certificate) of the coverage of specific new loans by such certificate, which confirmation shall be incontestable by the Commissioner in the absence of fraud or misrepresentation of fact or patent error.

(2) If the holder of a certificate of comprehensive insurance coverage issued under this subsection grants to a student a line of credit extending beyond the cutoff date specified in that certificate, loans or payments thereon made by the holder after that date pursuant to the line of credit shall not be deemed to be included in the coverage of that certificate except as may be specifically provided therein; but, subject to the limitations of section 424, the Commissioner may, in accordance with regulations, make commitments to insure such future loans or payments, and such commitments may be honored either as provided in subsection (a) or by inclusion of such insurance in comprehensive coverage under this subsection for the period or periods in which such future loans or payments are made.

(c) The Commissioner shall, pursuant to regulations, charge for insurance on each loan under this part a premium in an amount not to exceed one-fourth of 1 per centum per year of the unpaid principal amount of such loan (excluding interest added to principal), payable in advance, at such times and in such manner as may be prescribed by the Commissioner. Such regulations may provide that such premium shall not be payable, or if paid shall be refundable, with respect to any period after default in the payment of principal or interest or after the borrower has died or becomes totally and permanently disabled, if (1) notice of such default or other event has been duly given, and (2) request for payment of the loss insured against has been made or the Commissioner has made such payment on his own motion pursuant to section 430(a).

(d) The rights of an eligible lender arising under insurance evidenced by a certificate of insurance issued to it under this section may be assigned as security by such lender only to another eligible lender, and subject to regulation by the Commissioner.

(e) The consolidation of the obligations of two or more federally-insured loans obtained by a student borrower in any fiscal year into a single obligation evidenced by a single instrument of indebtedness shall not affect the insurance by the United States. If the loans thus consolidated are covered by separate certificates of insurance issued under subsection (a), the Commissioner may upon surrender of the original certificates issue a new certificate of insurance in accordance with that subsection upon the consolidated obligation; if they are covered by a single comprehensive certificate issued under subsection (b), the Commissier may amend that certificate accordingly.

(20 U.S.C. 1079) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 429, 79 Stat. 1243.

DEFAULT OF STUDENT UNDER FEDERAL LOAN INSURANCE PROGRAM

Sec. 430. (a) Upon default by the student borrower on any loan covered by Federal loan insurance pursuant to this part, and prior to the commencement of suit or other enforcement proceedings upon security for that loan, the insurance beneficiary shall promptly notify the Commissioner, and the Commissioner shall if requested (at that time or after further collection efforts) by the beneficiary, or may on his own motion, if the insurance is still in effect, pay to the beneficiary the amount of the loss sustained by the insured upon that loan as soon as that amount has been determined. The "amount of the loss" on any loan shall, for the purposes of this subsection and subsection (b), be deemed to be an amount equal to the unpaid balance of the principal amount of the loan (other than interest added to principal).

(b) Upon payment by the Commissioner of the amount of the loss pursuant to subsection (a), the United States shall be subrogated for all of the rights of the holder of the obligation upon the insured loan and shall be entitled to an assignment of the note or other evidence of the insured loan by the insurance beneficiary. If the net recovery made by the Commissioner on a loan after deduction of the cost of that recovery (including reasonable administrative costs) exceeds the amount of the loss, the excess shall be paid over to the insured.

(c) Nothing in this section or in this part shall be construed to preclude any forbearance for the benefit of the student borrower which may be agreed upon by the parties to the insured loan and approved by the Commissioner, or to preclude forbearance by the Commissioner in the enforcement of the insured obligation after payment on that insurance.

(d) Nothing in this section or in this part shall be construed to excuse the holder of a federally insured loan from exercising reasonable care and diligence in the making and collection of loans under the provisions of this part. If the Commissioner, after reasonable notice and opportunity for hearing to an eligible lender, finds that it has substantially failed to exercise such care and diligence or to make the reports and statements required under section 428(a)(3) and section 429(a)(3), or to pay the required Federal loan insurance premiums, he shall disqualify that lender for further Federal insurance on loans granted pursuant to this part until he is satisfied that its failure has ceased and finds that there is reasonable assurance that the lender will in the future exercise necessary care and diligence or comply with such requirements, as the case may be.

(e) As used in this section—

(1) the term "insurance beneficiary" means the insured or its authorized assignee in accordance with section 429(d); and

(2) the term "default" includes only such defaults as have existed for (A) one hundred and twenty days in the case of a loan which is repayable in monthly installments, or (B) one hundred and eighty days in the case of a loan which is repayable in less frequent installments.

(20 U.S.C. 1080) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 430, 79 Stat. 1244; amended Oct. 16, 1968. P.L. 90–575, Title I, sec. 113, 82 Stat. 1021.

INSURANCE FUND

SEC. 431. (a) There is hereby established a student loan insurance fund (hereinafter in this section called the "fund") which shall be available without fiscal year limitation to the Commissioner for making payments in connection with the default of loans insured by him under this part, or in connection with payments under a guaranty agreement under section 428(c). All amounts received by the Commissioner as premium charges for insurance and as receipts, earnings, or proceeds derived from any claim or other assets acquired by the Commissioner in connection with his operations under this part, and any other moneys, property, or assets derived by the Commissioner from his operations in connection with this section, shall be deposited in the fund. All payments in connection with the default of loans insured by the Commissioner under this part, or in connection with such guaranty agreements shall be paid from the fund. Moneys in the fund not needed for current operations under this section may be invested in bonds or other obligations guaranteed as to principal and interest by the United States.

(b) If at any time the moneys in the fund are insufficient to make payments in connection with the default of any loan insured by the Commissioner under this part, or in connection with any guaranty agreement made under section 428(c), the Commissioner is authorized to issue to the Secretary of the Treasury notes or other obligations in such forms and denominations, bearing such maturities, and subject to such terms and conditions as may be prescribed by the Commissioner with the approval of the Secretary of the Treasury. Such notes or other obligations shall bear interest at a rate determined by the Secretary of the Treasury, taking into consideration the current average market yield on outstanding marketable obligations of the United States of comparable maturities during the month preceding the issuance of the notes or other obligations. The Secretary of the Treasury is authorized and directed to purchase any notes and other obligations issued hereunder and for that purpose he is authorized to use as a public debt transaction the proceeds from the sale of any securities issued under the Second Liberty Bond Act, as amended, and the purposes for which securities may be issued under that Act, as amended, are extended to include any purchase of such notes and obligations. The Secretary of the Treasury may at any time sell any of the notes or other obligations acquired by him under this subsection. All redemptions, purchases, and sales by the Secretary of the Treasury of such notes or other obligations shall be treated as public debt transactions of the United States. Sums borrowed under this subsection shall be deposited in the fund and redemption of such notes and obligations shall be made by the Commissioner from such fund.

(20 U.S.C. 1081) Enacted Nov. 8, 1965, P.L. 89-329, Title IV, sec. 431, 79 Stat. 1245; amended Aug. 3, 1968, P.L. 90-460, sec. 3, 82 Stat. 638.

LEGAL POWERS AND RESPONSIBILITIES

SEC. 432. (a) In the performance of, and with respect to, the functions, powers, and duties vested in him by this part, the Commissioner may—

(1) prescribe such regulations as may be necessary to carry out the purposes of this part;

(2) sue and be sued in any court of record of a State having general jurisdiction or in any district court of the United States, and such district courts shall have jurisdiction of civil actions arising under this part without regard to the amount in controversy, and any action instituted under this subsection by or against the Commissioner shall survive notwithstanding any change in the person occupying the office of Commissioner or any vacancy in that office; but no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Commissioner or property under his control, and nothing herein shall be construed to except litigation arising out of activities under this part from the application of sections 507(b) and 2679 of title 28 of the United States Code and of section 316 of Title 5.[1]

(3) include in any contract for Federal loan insurance such terms, conditions, and covenants relating to repayment of principal and payment of interest, relating to his obligations and rights and to those of eligible lenders, and borrowers in case of default, and relating to such other matters as the Commissioner determines to be necessary to assure that the purposes of this part will be achieved; and any term, condition, and covenant made pursuant to this clause or any other provisions of this part may be modified by the Commissioner if he determines that modification is necessary to protect the financial interest of the United States;

(4) subject to the specific limitations in this part, consent to the modification, with respect to rate of interest, time of payment of any installment of principal and interest or any portion thereof, or any other provision of any note or other instrument evidencing a loan which has been insured by him under this part;

(5) enforce, pay, or compromise, any claim on, or arising because of, any such insurance or any guarantee agreement under section 428(c); and

(6) enforce, pay, compromise, waive, or release any right, title, claim, lien, or demand, however acquired, including any equity or any right or redemption.

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[1] 28 U.S.C. 507(G) repealed and replaced by 28 U.S.C. 509 and 547. 5 U.S.C. 316 repealed and replaced by 28 U.S.C. 517, Sept. 6, 1966, P.L. 89-554, sec. 8a, 80 Stat. 633.

(b) The Commissioner shall, with respect to the financial operations arising by reason of this part—

(1) prepare annually and submit a budget program as provided for wholly owned Government corporations by the Government Corporation Control Act; and

(2) maintain with respect to insurance under this part an integral set of accounts, which shall be audited annually by the General Accounting Office in accordance with principles and procedures applicable to commercial corporate transactions, as provided by section 105 of the Government Corporation Control Act, except that the transactions of the Commissioner, including the settlement of insurance claims and of claims for payments pursuant to section 428, and transactions related thereto and vouchers approved by the Commissioner in connection with such transactions, shall be final and conclusive upon all accounting and other officers of the Government.

(20 U.S.C. 1082) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 432, 79 Stat. 1246; amended Aug. 3, 1968, P.L. 90–460, sec. 3, 82 Stat. 638.

DIRECT LOANS

Sec. 433. (a) The Commissioner may make a direct loan to any student who would be eligible for an insured loan for study at a vocational school under this part if (1) in the particular area in which the student resides loans which are insurable under this Act are not available at the rate of interest prescribed by the Secretary pursuant to section 427(a)(2)(D) for such area, or (2) the particular student has been unable to obtain an insured loan at a rate of interest which does not exceed such rate prescribed by the Secretary.

(b) Loans made under this section shall bear interest at the rate prescribed by the Secretary under section 427(a)(2)(D) for the area where the student resides, and shall be made on such other terms and conditions as the Commissioner shall prescribe, which shall conform as nearly as practicable to the terms and conditions of loans insured under this Act.

(c) There is authorized to be appropriated the sum of $1,000,000 for the fiscal year ending June 30, 1969 and for each of the two succeeding fiscal years to carry out this section.

(20 U.S.C. 1083) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 433, 79 Stat. 1247; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 116, 82 Stat. 1024.

PARTICIPATION BY FEDERAL CREDIT UNIONS IN FEDERAL, STATE, AND PRIVATE STUDENT LOAN INSURANCE PROGRAMS

Sec. 434. Notwithstanding any other provision of law, Federal credit unions shall, pursuant to regulations of the Director of the Bureau of Federal Credit Unions, have power to make insured loans up to 15 per centum of their assets, to student members in accordance with the provisions of this part relating to federally insured loans, or in accordance with the provisions of any State or nonprofit private student loan insurance program which meets the requirements of section 428(a)(1)(C).

(20 U.S.C. 1084) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 434, 79 Stat. 1247; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 116, 82 Stat. 1024.

DEFINITIONS FOR REDUCED-INTEREST STUDENT LOAN INSURANCE PROGRAM

SEC. 435. As used in this part:

(a) The term "eligible institution" means (1) an institution of higher education, (2) a vocational school, or (3) with respect to students who are nationals of the United States, an institution outside the States which is comparable to an institution of higher education or to a vocational school and which has been approved by the Commissioner for purposes of this part.

(b) The term "institution of higher education" means an educational institution in any State which (1) admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such certificate, (2) is legally authorized within such State to provide a program of education beyond secondary education, (3) provides an educational program for which it awards a bachelor's degree or provides not less than a two-year program which is acceptable for full credit toward such a degree, (4) is a public or other nonprofit institution, and (5) is accredited by a nationally recognized accrediting agency or association approved by the Commissioner for this purpose or, if not so accredited, (A) is an institution with respect to which the Commissioner has determined that there is satisfactory assurance, considering the resources available to the institution, the period of time, if any, during which is has operated, the effort it is making to meet accreditation standards, and the purpose for which this determination is being made, that the institution will meet the accreditation standards of such an agency or association within a reasonable time, or (B) is an institution whose credits are accepted on transfer by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited. Such term includes any public or other nonprofit collegiate or associate degree school of nursing and any school which provides not less than a one-year program of training to prepare students for gainful employment in a recognized occupation and which meets the provisions of clauses (1), (2), (4), and (5). If the Commissioner determines that a particular category of such schools does not meet the requirements of clause (5) because there is no nationally recognized accrediting agency or association qualified to accredit schools in such category, he shall, pending the establishment of such an accrediting agency or association, appoint an advisory committee, composed of persons specially qualified to evaluate training provided by schools in such category, which shall (i) prescribe the standards of content, scope, and quality which must be met in order to qualify schools in such category to participate in the program pursuant to this part, and (ii) determine whether particular schools not meeting the requirements of clause (5) meet those standards. For purposes of this subsection, the Commissioner shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of training offered.

(c) The term "vocational school" means a business or trade school, or technical institution or other technical or vocational school, in any State, which (1) admits as regular students only persons who have completed or left elementary or secondary school and who have the ability to benefit from the training offered by such institution; (2) is legally authorized to provide, and provides within that State, a program of postsecondary vocational or technical education designed to fit individuals for useful employment in recognized occupations; (3) has been in existence for two years or has been specially accredited by the Commissioner as an institution meeting the other requirements of this subsection; and (4) is accredited (A) by a nationally recognized accrediting agency or association listed by the Commissioner pursuant to this clause, (B) if the Commissioner determines that there is no nationally recognized accrediting agency or association qualified to accredit schools of a particular category, by a State agency listed by the Commissioner pursuant to this clause and (C) if the Commissioner determines there is no nationally recognized or State agency or association qualified to accredit schools of a particular category, by an advisory committee appointed by him and composed of persons specially qualified to evaluate training provided by schools of that category, which committee shall prescribe the standards of content, scope, and quality which must be met by those schools in order for loans to students attending them to be insurable under this part and shall also determine whether particular schools meet those standards. For the purpose of this subsection, the Commissioner shall publish a list of nationally recognized accrediting agencies or associations and State agencies which he determines to be reliable authority as to the quality of education or training afforded.

(d) The term "collegiate school of nursing" means a department, division, or other administrative unit in a college or university which provides primarily or exclusively an accredited program of education in professional nursing and allied subjects leading to the degree of bachelor of arts, bachelor of science, bachelor of nursing, or to an equivalent degree, or to a graduate degree in nursing.

(e) The term "associate degree school of nursing" means a department, division, or other administrative unit in a junior college, community college, college, or university which provides primarily or exclusively an accredited two-year program of education in professional nursing and allied subjects leading to an associate degree in nursing or to an equivalent degree.

(f) The term "accredited" when applied to any program of nurse education means a program accredited by a recognized body or bodies approved for such purpose by the Commissioner of Education.

(g) The term "eligible lender" means an eligible institution, an agency or instrumentality of a State, or a financial or credit institution (including an insurance company) which is subject to examination and supervision by an agency of the United States or of any State, or a pension fund approved by the Commissioner for this purpose.

(h) The term "line of credit" means an arrangement or agreement between the lender and the borrower whereby a loan is paid out by the lender to the borrower in annual installments, or whereby the lender agrees to make, in addition to the initial loan, additional loans in subsequent years.

(20 U.S.C. 1085) Enacted Nov. 8, 1965, P.L. 89–329, Title IV, sec. 435, 79 Stat. 1247; as amended Oct. 29, 1966, P.L. 89–698, Title II, sec. 204, 80 Stat. 1072; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 116, 118, 82 Stat. 1023–26.

DISTRICT OF COLUMBIA STUDENT LOAN INSURANCE PROGRAM

SEC. 436. (a) The Board of Commissioners of the District of Columbia is authorized (1) to establish a student loan insurance program which meets the requirements of this part for a State loan insurance program in order to enter into agreements with the Commissioner for the purposes of this title and such Act, (2) to enter into such agreements with the Commissioner, (3) to use amounts appropriated to such Board for the purposes of this section to establish a fund for such purposes and for expenses in connection therewith, and (4) to accept and use donations for the purposes of this section.

(b) Nothwithstanding the provisions of any applicable law, if the borrower, on any loan insured under the program established pursuant to this section, is a minor, any otherwise valid note or other written agreement executed by him for the purposes of such loan shall create a binding obligation.

(c) There are authorized to be appropriated to such Board such amounts as may be necessary for the purposes of this section.

(20 U.S.C. 1086) Enacted Nov. 3, 1966, P.L. 89–752, sec. 12, 80 Stat. 1244; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 116, 82 Stat. 1024.

REPAYMENT BY COMMISSIONER OF LOANS OF DECEASED OR DISABLED BORROWERS

SEC. 437. If a student borrower who has received a loan with respect to which a portion of the interest (1) is payable by the Commissioner under section 428(a), or (2) would be payable but for the adjusted family income of the borrower, dies or becomes permanently and totally disabled (as determined in accordance with regulations of the Commissioner), then the Commissioner shall discharge the borrower's liability on the loan by repaying the amount owed on the loan.

(20 U.S.C. 1087) Enacted Oct. 16, 1968, P.L. 90–575, Title I, sec. 113, 82 Stat. 1020.

PART C—WORK-STUDY PROGRAMS

STATEMENT OF PURPOSE; APPROPRIATIONS AUTHORIZED

SEC. 441. (a) The purpose of this part is to stimulate and promote the part-time employment of students, particularly students from low-income families, in eligible institutions who are in need of the earnings from such employment to pursue courses of study at such institutions.

(b) There are authorized to be appropriated $225,000,000 for the fiscal year ending June 30, 1969, $255,000,000 for the fiscal year ending June 30, 1970, and $285,000,000 for the fiscal year ending June 30, 1971, to carry out this part.

(42 U.S.C. 2751) Enacted Aug. 20, 1964, P.L. 88–452, Title I, sec. 121, 78 Stat. 515; amended Nov. 8, 1965, P.L. 89–329, Title IV, sec. 441(2), 79 Stat. 1249; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 131, 132, 133, 82 Stat. 1028–1029.

ALLOTMENTS TO STATES

SEC. 442. (a) From the sums appropriated to carry out this part for a fiscal year, the Commissioner shall (1) allot not to exceed 2 per centum among Puerto Rico, Guam, American Samoa, the Trust

Territory of the Pacific Islands, and the Virgin Islands according to their respective needs for assistance under this part, and (2) reserve the amount provided by subsection (e). The remainder of such sums shall be allotted among the States as provided in subsection (b).

(b) Of the sums being allotted under this subsection—

(1) one-third shall be allotted by the Commissioner among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of persons enrolled on a full-time basis in institutions of higher education in such State bears to the total number of persons enrolled on a full-time basis in institutions of higher education in all the States.

(2) one-third shall be allotted by the Commissioner among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of high school graduates (as defined in section 103(d)(3) of the Higher Education Facilities Act of 1963) of such State bears to the total number of such high school graduates of all the States, and

(3) one-third shall be allotted by him among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-third as the number of related children under eighteen years of age living in families with annual incomes of less than $3,000 in such State bears to the number of related children under eighteen years of age living in families with annual incomes of less than $3,000 in all the States.

(c) The amount of any State's allotment which has not been granted to an eligible institution under section 443 at the end of the fiscal year for which appropriated shall be reallotted by the Commissioner in such manner as he determines will best assist in achieving the purposes of this Act. Amounts reallotted under this subsection shall be available for making grants under section 443 until the close of the fiscal year next succeeding the fiscal year for which appropriated.

(d) For purposes of this section, the term "State" does not include Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Island.

(e) From the appropriation for this part for each fiscal year the Commissioner shall reserve an amount to provide work-study assistance to students who reside in, but who attend eligible institutions outside of, American Samoa or the Trust Territory of the Pacific Islands. The amount so reserved shall be allotted to eligible institutions and shall be available only for the purpose of providing work-study assistance to such students.

(42 U.S.C. 2752) Enacted Aug. 20, 1964, P.L. 88–452, Title I, sec. 122, 78 Stat. 514; amended Nov. 8, 1965, P.L. 89–329, Title IV, sec. 441(1), 79 Stat. 1249; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 131, 135, 82 Stat. 1028–1029.

GRANTS FOR WORK-STUDY PROGRAMS

SEC. 443. (a) The Commissioner is authorized to enter into agreements with eligible institutions under which the Commissioner will make grants to such institutions to assist in the operation of work-study programs as hereinafter provided.

(b) For the purposes of this part of the term "eligible institution" means an institution of higher education (as defined in section 435(b) of this Act), an area vocational school (as defined in section 8(2) of the Vocational Education Act of 1963), or a proprietary institution of higher education (as defined in section 461(b) of this Act.

(42 U.S.C. 2753) Enacted Aug. 20, 1964, P.L. 88–452, Title I, sec. 123, 78 Stat. 514; amended Nov. 8, 1965, P.L. 89–329; Title IV, sec. 441(3), 79 Stat. 1249; amended Oct. 16, 1968, P.L. 90–575, Title I, secs. 131, 133, 139, 82 Stat. 1028–1030.

CONDITIONS OF AGREEMENTS

Sec. 444. (a) An agreement entered into pursuant to section 443 shall—

(1) provide for the operation by the institution of a program for the part-time employment of its students in work for the institution itself (except in the case of a proprietary institution of higher education) or work in the public interest for a public or private nonprofit organization under an arrangement between the institution and such organization, and such work—

(A) will not result in the displacement of employed workers or impair existing contracts for services,

(B) will be governed by such conditions of employment as will be appropriate and reasonable in light of such factors as type of work performed, geographical region, and proficiency of the employee, and

(C) does not involve the construction, operation, or maintenance of so much of any facility as is used or is to be used for sectarian instruction or as a place for religious worship;[7]

(2) provide that funds granted an institution of higher education, pursuant to section 443 may be used only to make payments to students participating in work-study programs, except that an institution may use a portion of the sums granted to it to meet administrative expenses in accordance with section 463 of this Act;

(3) provide that in the selection of students for employment under such work-study program preference shall be given to students from low-income families and that employment under such work-study program shall be furnished only to a student who (A) is in need of the earnings from such employment in order to pursue a course of study at such institution, (B) is capable, in the opinion of the institution, of maintaining good standing in such course of study while employed under the program covered by the agreement, and (C) has been accepted for enrollment as a full-time student at the institution or, in the case of a student already enrolled in and attending the institution, is in good standing and in full-time attendance there either as an undergraduate, graduate, or professional student;

(4) provide that the average hours of employment of a student under such work-study program, shall not exceed fifteen per week over a semester, or other term used by the institution in awarding credits, during which the student is enrolled in classes.

(5) provide that the institution will meet the requirements of section 464 of this Act (relating to maintenance of effort);

(6) provide that the Federal share of the compensation of students employed in the work-study program in accordance with

the agreement will not exceed 80 per centum of such compensation; except that the Federal share may exceed 80 per centum of such compensation if the Commissioner determines, pursuant to regulations adopted and promulgated by him establishing objective criteria for such determinations, that a Federal share in excess of 80 per centum is required in furtherance of the purposes of this part;

(7) include provisions designed to make employment under such work-study program, or equivalent employment offered or arranged for by the institution, reasonably available (to the extent of available funds) to all eligible students in the institution in need thereof; and

(8) include such other provisions as the Commissioner shall deem necessary or appropriate to carry out the purposes of this part.

(b) An agreement entered into pursuant to section 443 with an area vocational school shall contain, in addition to the provisions described in subsection (a) of this section, a provision that a student in such a school shall be eligible to participate in a program under this part only if he (1) has a certificate of graduation from a school providing secondary education or the recognized equivalent of such a certificate, and (2) is pursuing a program of education or training which requires at least six months to complete and is designed to prepare the student for gainful employment in a recognized occupation.

(c) For purposes of paragraph (4) of subsection (a) of this section, in computing average hours of employment of a student over a semester or other term, there shall be excluded any period during which the student is on vacation and any period of non-regular enrollment. Employment under a work-study program during any such period of nonregular enrollment during which classes in which the student is enrolled are in session shall be only to the extent and in accordance with criteria established by or pursuant to regulations of the Commissioner.

(42 U.S.C. 2754) Enacted Aug. 20, 1964, P.L. 88-452, Title I, sec. 124, 78 Stat. 514; amended Oct. 9, 1965, P.L. 89-253, sec. 10, 79 Stat. 974; amended Nov. 8, 1965; P.L. 89-329, Title IV, sec. 441 (1), (4), (5), 79 Stat. 1249, 1250; amended Sept. 6, 1967, P.L. 90-82, secs. 1, 2, 81 Stat. 194; amended Oct. 16, 1968, P.L. 90-575, Title I, sec. 131, 133, 134, 136, 137, 138, 139, 82 Stat. 1028-1030.

SOURCES OF MATCHING FUNDS

SEC. 445. Nothing in this part shall be construed as restricting the source (other than this part) from which the institution may pay its share of the compensation of a student employed under a work-study program covered by an agreement under this part, and such share may be paid to such student in the form of services and equipment (including tuition, room, board, and books) furnished by such institution.

(42 U.S.C. 2755) Enacted Aug. 20, 1964, P.L. 88-452, Title I, sec. 125, 78 Stat. 516; amended Nov. 8, 1966, P.L. 89-329; Title IV, sec. 441(6), 79 Stat. 1250; amended Oct. 16, 1968, P.L. 90-575, Title I, sec. 131, 82 Stat. 1028.

EQUITABLE DISTRIBUTION OF ASSISTANCE

SEC. 446. The Commissioner shall establish criteria designed to achieve such distribution of assistance under this part among institutions of higher education within a State as will most effectively carry out the purposes of this Act.

(42 U.S.C. 2756) Enacted Aug. 20, 1964, P.L. 88–452, Title I, sec. 126, 78 Stat. 516; amended Nov. 8, 1965, P.L. 89—329, Title IV, sec. 441(1), 79 Stat. 1249; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 131, 82 Stat. 1028.

(NOTE.—Authorizations of appropriations for this program for the fiscal years ending June 30, 1967, and June 30, 1968, are provided in section 442 of the Higher Education Act of 1965.)

PART D—COOPERATIVE EDUCATION PROGRAMS

APPROPRIATIONS AUTHORIZED

SEC. 451. (a) There are authorized to be appropriated $340,000 for the fiscal year ending June 30, 1969, $8,000,000 for the fiscal year ending June 30, 1970, and $10,000,000 for the fiscal year ending June 30, 1971, to enable the Commissioner to make grants pursuant to section 452 to institutions of higher education for the planning, establishment, expansion, or carrying out by such institutions of programs of coöperative education that alternate periods of full-time academic study with periods of full-time public or private employment that will not only afford students the opportunity to earn through employment funds required toward continuing and completing their education but will, so far as practicable, give them work experience related to their academic or occupational objective. Such amount for the fiscal year ending June 30, 1969, shall also be available for planning and related activities for the purpose of this title.

(b) There are further authorized to be appropriated $750,000 for the fiscal year ending June 30, 1969, and for each of the two succeeding fiscal years, to enable the Commissioner to make training or research grants or contracts pursuant to section 453.

(c) Appropriations under this part shall not be available for the payment of compensation of students for employment by employers under arrangements pursuant to this part.

(20 U.S.C. 1087a) Enacted Oct. 16, 1968, P.L. 90–575, Title I, sec. 141, 82 Stat. 1030.

GRANTS FOR PROGRAMS OF COOPERATIVE EDUCATION

SEC. 452. (a) From the sums appropriated pursuant to subsection (a) of section 451, and for the purposes set forth therein, the Commissioner is authorized to make grants to institutions of higher education that have applied therefor in accordance with subsection (b) of this section, in amounts not in excess of $75,000 to any one such institution for any fiscal year.

(b) Each application for a grant authorized by subsection (a) of this section shall be filed with the Commissioner at such time or times as he may prescribe and shall—

(1) set forth programs or activities for which a grant is authorized under this section;

(2) provide that the applicant will expend during such fiscal year for the purpose of such program or activity not less than was expended for such purpose during the previous fiscal year;

(3) provide for the making of such reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this part, and for the keeping of such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports;

(4) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the applicant under this part; and

(5) include such other information as the Commissioner may determine necessary to carry out the purposes of this part.

(c) No institution of higher education may receive grants under this section for more than three fiscal years.

(d) In the development of criteria for approval of applications under this section, the Commissioner shall consult with the Advisory Council on Financial Aid to Students.

(20 U.S.C. 1087b) Enacted Oct. 16, 1968, P.L. 90–575, Title I, sec. 141, 82 Stat. 1030.

GRANTS AND CONTRACTS FOR TRAINING AND RESEARCH

Sec. 453. From the sums appropriated pursuant to subsection (b) of section 451, the Commissioner is authorized, for the training of persons in the planning, establishments, administration, or coordination of programs of cooperative education, or for research into methods of improving, developing, or promoting the use of cooperative education programs in institutions of higher education, to—

(1) make grants to or contracts with institutions of higher education, or combinations of such institutions, and

(2) make grants to other public or private nonprofit agencies or organizations, or contracts with public or private agencies or organizations, when such grants or contracts will make an especially significant contribution to attaining the objectives of this section.

(20 U.S.C. 1087c) Enacted Oct. 16, 1968, P.L. 90–575, Title I, sec. 141, 82 Stat. 1030.

Part E—General Provisions Relating to Student Assistance Programs

Subpart 1—General Provisions

DEFINITIONS

Sec. 461. (a) For purposes of this title, the term "State" includes the Trust Territory of the Pacific Islands.

(b) For purposes of part C of this title and title II of the National Defense Education Act of 1958, the term "proprietary institution of higher education" means a school (1) which provides not less than a six-month program of training to prepare students for gainful employment in a recognized occupation, (2) which meets the requirements of section 1141(a)(1) and 1141(a)(2) of this Act, (3) which does not meet the requirement of section 1141(a)(4) of this Act, (4) which is accredited by a nationally recognized accrediting agency or association approved by the Commissioner for this purpose, and (5) which has been in existence for at least two years. For purposes of this paragraph, the Commissioner shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of training offered.

(20 U.S.C. 1088) Enacted Oct. 16, 1968, P.L. 90–575, Title I, sec. 151, 82 Stat. 1032.

ELIGIBILITY OF RESIDENTS OF TRUST TERRITORY OF PACIFIC ISLANDS

Sec. 462. Permanent residents of the Trust Territory of the Pacific Islands shall be eligible for assistance under title II of the National Defense Education Act of 1958 and under this title to the same extent that citizens of the United States are eligible for such assistance.

(20 U.S.C. 1088a) Enacted Oct. 16, 1968, P.L. 90–575, Title I, sec. 151, 82 Stat. 1032.

Sec. 463. (a) An institution which has entered into an agreement with the Commissioner under part A or C of this title shall be entitled for each fiscal year for which it receives an allotment under either such part to a payment in lieu of reimbursement for its expenses during such fiscal year in administering programs assisted under such part. The payment for a fiscal year (1) shall be payable from each such allotment in accordance with regulations of the Commissioner, and (2) shall (except as provided in subsection (b)) be an amount equal to 3 per centum of (A) the institution's expenditures during the fiscal year from its allotment under part A plus (B) its expenditures during such fiscal year under part C for compensation of students.

(b) The aggregate amount paid to an institution for a fiscal year under this section plus the amount withdrawn from its student loan fund under section 204(b) of the National Defense Education Act of 1958 may not exceed $125,000.

(20 U.S.C. 1088b) Enacted Oct. 16, 1968, P.L. 90–575, Title I, sec. 152, 82 Stat. 1033.

Sec. 464. An agreement between the Commissioner and an institution under part A or part C shall provide assurance that the institution will continue to spend in its own scholarship and student-aid program, from sources other than funds received under such parts, not less than the average expenditure per year made for that purpose during the most recent period of three fiscal years preceding the effective date of the agreement.

(20 U.S.C. 1088c) Enacted Oct. 16, 1968, P.L. 90–575, Title I, sec. 152, 82 Stat. 1033.

Subpart 2—Advisory Council on Financial Aid to Students

ESTABLISHMENT OF COUNCIL

Sec. 469. (a) There is established in the Office of Education an Advisory Council on Financial Aid to Students (hereafter in this section referred to as the "Council"), consisting of the Commissioner, who shall be Chairman, and of members appointed by the Commissioner without regard to the civil service or classification laws. Such appointed members shall include (1) leading authorities in the field of education, (2) persons representing State and private nonprofit loan insurance programs, financial and credit institutions, and institutions of higher education and other eligible institutions as those terms may be variously defined in this Act or in the National Defense Education Act of 1958, and (3) at least one undergraduate student in an institution of higher education or other eligible institution.

(b) The Council shall advise the Commissioner on matters of general policy arising in the administration by the Commissioner of programs relating to financial assistance to students and on evaluation of the effectiveness of these programs.

(20 U.S.C. 1089) Enacted Oct. 16, 1968, P.L. 90–575, Title I, sec. 151, 82 Stat. 1032; subsections (c) and (d) repealed April 13, 1970, P.L. 91–230, sec. 401(h) and superseded by pt. C of title IV of P.L. 90–247, as amended.

PART F—AMENDMENTS TO NATIONAL DEFENSE EDUCATION ACT OF 1958

(NOTE.—The amendments in this part are included in the National Defense Education Act of 1958 on pages 258, 287, and 293.)

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Title V—Teacher Programs

(NOTE.—This title is included among the education personnel training programs on page 295.)

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Title VI—Financial Assistance for the Improvement of Undergraduate Instruction

PART A—EQUIPMENT

STATEMENT OF PURPOSE AND AUTHORIZATION OF APPROPRIATIONS

SEC. 601. (a) The purpose of this part is to improve the quality of classroom instruction in selected subject areas in institutions of higher education.

(b) There are hereby authorized to be appropriated $35,000,000 for the fiscal year ending June 30, 1966, $50,000,000 for the fiscal year ending June 30, 1967, $60,000,000 for the fiscal year ending June 30, 1968, $13,000,000 for the fiscal year ending June 30, 1969, and $60,000,000 for each of the two succeeding fiscal years, to enable the Commissioner to make grants to institutions of higher education and combinations of institutions of higher education pursuant to this part for the acquisition of equipment and for minor remodeling described in section 603(2)(A).

(c) There are also authorized to be appropriated $2,500,000 for the fiscal year ending June 30, 1966, $10,000,000 for the fiscal year ending June 30, 1967, and for the succeeding fiscal year, $1,500,000 for the fiscal year ending June 30, 1969, and $10,000,000 for each of the two succeeding fiscal years, to enable the Commissioner to make grants to institutions of higher education and combinations of institutions of higher education pursuant to this part for the acquisition of television equipment and for minor remodeling described in section 603(2)(B).

(20 U.S.C. 1121) Enacted Nov. 8, 1965, P.L. 89–329, Title VI, sec. 601, 79 Stat. 1261; amended Nov. 3, 1966, P.L. 89–752, sec. 3(b), 80 Stat. 1241; amended Oct. 16, 1968, P.L. 90–575, Title II, sec. 241. 242, 82 Stat. 1041.

ALLOTMENTS TO STATES

SEC. 602. (a)(1) Of the funds appropriated pursuant to subsections (b) and (c) of section 601 for any fiscal year one-half shall be allotted by the Commissioner among the States so that the allotment to each State will be an amount which bears the same ratio to such one-half as the number of students enrolled in institutions of higher education in such State bears to the total number of students enrolled in such institutions in all the States; and the remaining one-half shall be allotted by him among the States in accordance with paragraph (2) of this subsection. For the purposes of this subsection, (A) the number of students enrolled in institutions of higher education shall be deemed to be equal to the sum of (i) the number of full-time students and (ii) the full-time equivalent of the number of part-time students as determined by the Commissioner in accordance with regulations; and (B) determinations as to enrollment shall be made by the Commissioner on the basis of data for the most recent year for which satisfactory data with respect to such enrollment are available to him.

(2) For the purpose of this paragraph the Commissioner shall allot to each State for each fiscal year an amount which bears the same ratio to the funds being allotted pursuant to this paragraph as the product of—

(A) the number of students enrolled in institutions of higher education in such State, and

(B) the State's allotment ratio,

bears to the sum of the corresponding products for all the States. For the purposes of this paragraph the allotment ratio for any State shall be 1.00 less the product of (i) 0.50 and (ii) the quotient obtained by dividing the income per person for the State by the income per person for all the States (not including Puerto Rico, the Virgin Islands, American Samoa, and Guam), except that the allotment ratio shall in no case be less than 0.33⅓ or more than 0.66⅔, and the allotment ratio for Puerto Rico, the Virgin Islands, American Samoa, and Guam shall be 0.66⅔. The allotment ratios shall be promulgated by the Commissioner as soon as possible after enactment of this Act, and annually thereafter, on the basis of the average of the incomes per person of the States and of all the States for the three most recent consecutive calendar years for which satisfactory data are available from the Department of Commerce.

(b)(1) A State allotment under subsection (a) from funds appropriated pursuant to section 601(b) shall be available in accordance with the provisions of this part for payment of the Federal share (as determined under section 604) of the cost of equipment and minor remodeling described in section 603(2)(A).

(2) A State's allotment under subsection (a) from funds appropriated pursuant to section 601(c) shall be available in accordance with the provisions of this part for payment of the Federal share (as determined under section 604) of the cost of television equipment and minor remodeling described in section 603(2)(B).

(c) Sums allotted to a State for the fiscal year ending June 30, 1966, shall remain available for reservation as provided in section

606 until the close of the next fiscal year, in addition to the sums allotted to such State for such next fiscal year. Sums allotted to a State for the fiscal year ending June 30, 1967, or for any succeeding fiscal year, which are not reserved as provided in section 606 by the close of the fiscal year for which they are allotted, shall be reallotted by the Commissioner, on the basis of such factors as he determines to be equitable and reasonable, among the States which as determined by the Commissioner, are able to use without delay any amounts so reallotted. Amounts reallotted under this subsection shall be available for reservation until the close of the fiscal year next succeeding the fiscal year for which they were originally allotted.

(20 U.S.C. 1122) Enacted Nov. 8, 1965, P.L. 89–329, Title VI, sec. 602, 79 Stat. 1261.

STATE COMMISSIONS AND PLANS

SEC. 603. Any State desiring to participate in the program under this part shall designate for that purpose an existing State agency which is broadly representative of the public and of institutions of higher education in the State, or, if no such State agency exists, shall establish such a State agency, and submit to the Commissioner through the agency so designated or established (hereafter in this part referred to as the "State commission"), a State plan for such participation. The Commissioner shall approve any such plan which—

(1) provides that it shall be administered by the State commission;

(2) set forth, consistently with basic criteria prescribed by regulation pursuant to section 604, objective standards and methods (A) for determining the relative priorities of eligible projects for the acquisition of laboratory and other special equipment (other than supplies consumed in use), including audiovisual materials and equipment for classrooms or audiovisual centers, and printed and published materials (other than textbooks) for classrooms or libraries, suitable for use in providing education in science, mathematics, foreign languages, history, geography, government, English, other humanities, the arts, or education at the undergraduate level in institutions of higher education, and minor remodeling of classroom or other space used for such materials or equipment; (B) for determining relative priorities of eligible projects for (i) the acquisition of television equipment for closed-circuit direct instruction in such fields in such institutions (including equipment for fixed-service instructional television, as defined by the Federal Communications Commission, but not including broadcast transmission equipment), (ii) the acquisition of necessary instructional materials for use in for such television instruction, and (iii) minor remodeling necessary for such television equipment: and (C) for determining the Federal share of the cost of each such project;

(3) provides (A) for assigning priorities solely on the basis of such criteria, standards, and methods to eligible projects submitted to the State commission and deemed by it to be otherwise approvable under the provisions of this part; and (B) for approving and recommending to the Commissioner, in the order of

such priority, applications covering such eligible projects, and for certifying to the Commissioner the Federal share, determined by the State commission under the State plan, of the cost of the project involved;

(4) provides for affording to every applicant, which has submitted to the State commission a project, an opportunity for a fair hearing before the commission as to the priority assigned to such project or as to any other determination of the commission adversely affecting such applicant; and

(5) provides (A) for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the State commission under this part, and (B) for the making of such reports, in such form and containing such information, as may be reasonably necessary to enable the Commissioner to perform his functions under this part.

(20 U.S.C. 1123) Enacted Nov. 8, 1965, P.L. 89-329, Title VI, sec. 603, 79 Stat. 1262.

BASIC CRITERIA FOR DETERMINING PRIORITIES, FEDERAL SHARE, AND MAINTENANCE OF EFFORT

SEC. 604. (a) As soon as practicable after the enactment of this Act the Commissioner shall by regulation prescribe basic criteria to which the provisions of State plans setting forth standards and methods for determining relative priorities of eligible projects, and the application of such standards and methods to such projects under such plans, shall be subject. Such basic criteria (1) shall be such as will best tend to achieve the objectives of this part while leaving opportunity and flexibility for the development of State plan standards and methods that will best accommodate the varied needs of institutions in the several States, and (2) shall give special consideration to the financial need of the institution or combination of institutions of higher education. Subject to the foregoing requirements, such regulations may establish additional and appropriate basic criteria, including provision for considering the degree to which applicants are effectively utilizing existing facilities and equipment, provision for allowing State plans to group or provide for grouping, in a reasonable manner, facilities or institutions according to functional or educational type for priority purposes, and, in view of the national objectives of this Act, provision for considering the degree to which the institution serves students from two or more States or from outside the United States; and in no event shall an institution's readiness to admit such out-of-State students be considered as a priority factor adverse to such institution.

(b) The Federal share for the purposes of this part shall not exceed 50 per centum of the cost of the project, except that a State commission may increase such share to not exceed 80 per centum of such cost in the case of any institution or combination of institutions of higher education providing insufficient resources to participate in the program under this part and inability to acquire such resources. An institution of higher education shall be eligible for a grant for a project pursuant to this part in any fiscal year only if such institution will expend from current funds for instructional and library purposes, other than personnel costs, during such fiscal year an amount not less than the amount expended by such institution from current funds for such purposes during the previous fiscal year. A combination of institutions of higher education shall be eligible for such a grant in accordance with regulations of the Commissioner prescribing requirements for maintenance of effort. The Commissioner shall establish basic criteria for making determinations under this subsection.

(20 U.S.C. 1124) Enacted Nov. 8, 1965, P.L. 89–329, Title VI, sec. 604, 79 Stat. 1263; amended Nov. 3, 1966, P.L. 89–752, sec. 14, 80 Stat. 1244; amended Oct. 16, 1968, P.L. 90–575, Title II, sec. 242, 82 Stat. 1041.

APPLICATIONS FOR GRANTS AND CONDITIONS FOR APPROVAL

SEC. 605. (a) Institutions of higher education and combinations of institutions of higher education which desire to obtain grants under this part shall submit applications therefor at such time or times and in such manner as may be prescribed by the Commissioner, and such applications shall contain such information as may be required by or pursuant to regulation for the purpose of enabling the Commissioner to make the determinations required to be made by him under this part.

(b) The Commissioner shall approve an application covering a project under this part and meeting the requirements prescribed pursuant to subsection (a) if—

(1) the project has been approved and recommended by the appropriate State commission;

(2) the State commission has certified to the Commissioner, in accordance with the State plan, the Federal share of the cost of the project, and sufficient funds to pay such Federal share are available from the applicable allotment of the State (including any applicable reallotment to the State);

(3) the project has, pursuant to the State plan, been assigned a priority that is higher than that of all other projects within such State (chargeable to the same allotment) which meet all the requirements of this section (other than this clause) and for which Federal funds have not been reserved;

(4) the Commissioner determines that the project will be undertaken in an economical manner and will not be overly elaborate or extravagant; and

(5) the Commissioner determines that the application contains or is supported by satisfactory assurances—

(A) that Federal funds received by the applicant will be used solely for defraying the cost of the project covered by such application,

(B) that sufficient funds will be available to meet the non-Federal portion of such cost and to provide for the effective use of the equipment upon completion, and

(C) that the applicant will meet the maintenance of effort requirement in section 604(b).

(c) Amendments of applications shall, except as the Commissioner may otherwise provide by or pursuant to regulation, be subject to approval in the same manner as original applications.

(20 U.S.C. 1125) Enacted Nov. 8, 1965, P.L. 89–329, Title VI, sec. 605, 79 Stat. 1264; amended Oct. 16, 1968; P.L. 90–575, Title II, sec. 242, 82 Stat. 1041.

AMOUNT OF GRANT—PAYMENT

SEC. 606. Upon his approval of any application for a grant under this part, the Commissioner shall reserve from the applicable allotment (including any applicable reallotment) available therefor, the amount of such grant, which (subject to the limits of such allotment or reallotment) shall be equal to the Federal share of the cost of the project covered by such application. The Commissioner shall pay such reserved amount, in advance or by way of reimbursement, and in such installments as he may determine. The Commissioner's reservation of any amount under this section may be amended by him, either upon approval of an amendment of the application covering such project or upon revision of the estimated cost of a project with respect to which such reservation was made, and in the event of an upward revision of such estimated cost approved by him he may reserve the Federal share of the added cost only from the applicable allotment (or reallotment) available at the time of such approval.

(20 U.S.C. 1126) Enacted Nov. 8, 1965, P.L. 89–329, Title VI, sec. 606, 79 Stat. 1265.

ADMINISTRATION OF STATE PLANS

SEC. 607. (a) The Commissioner shall not finally disapprove any State plan submitted under this part, or any modification thereof, without first affording the State commission submitting the plan reasonable notice and opportunity for a hearing.

(b) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the State commission administering a State plan approved under this part, finds—

(1) that the State plan has been so changed that it no longer complies with the provisions of section 603, or

(2) that in the administration of the plan there is a failure to comply substantially with any such provision,

the Commissioner shall notify such State commission that the State will not be regarded as eligible to participate in the program under this part until he is satisfied that there is no longer any such failure to comply.

(20 U.S.C. 1127) Enacted Nov. 8, 1965, P.L. 89–329, Title VI, sec. 607, 79 Stat. 1265.

JUDICIAL REVIEW

SEC. 608. (a) If any State is dissatisfied with the Commissioner's final action with respect to the approval of its State plan submitted under this part or with his final action under section 607, such State may appeal to the United States court of appeals for the circuit in which such State is located. The summons and notice of appeal may be served at any place in the United States. The Commissioner shall forthwith certify and file in the court the transcript of the proceedings and the record on which he based his action.

(b) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the transcript and record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(c) The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in title 28, United States Code, section 1254.

(20 U.S.C. 1128) Enacted Nov. 8, 1965, P.L. 89–329, Title VI, sec. 608, 79 Stat. 1265.

LIMITATION ON PAYMENTS

Sec. 609. No grant may be made under this part for equipment or materials to be used for sectarian instruction or religious worship, or primarily in connection with any part of the program of a school or department of divinity. For purposes of this section the term "school or department of divinity" means an institution or a department or branch of an institution whose program is specifically for the education of students to prepare them to become ministers of religion or to enter upon some other religious vocation, or to prepare them to teach theological subjects.

(20 U.S.C. 1129) Enacted Nov. 8, 1965, P.L. 89–329, Title VI, sec. 609, 79 Stat. 1266.

CONSULTATION

Sec. 610. So as to promote the coordination of Federal programs providing assistance in the purchase of laboratory or other special equipment for education in the natural or physical sciences, the Commissioner shall consult with the National Science Foundation and other agencies in developing general policy, under this title, in respect thereof.

(20 U.S.C. 1129a) Enacted Oct. 16, 1968, P.L. 90–575, Title II, sec. 243, 82 Stat. 1041.

Part B—Development Programs

INSTITUTES AUTHORIZED

Sec. 621. (a) There are authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1966, and for each of the two succeeding fiscal years, to enable the Commissioner to arrange, through grants or contracts, with institutions of higher education for the operation by them of short-term workshops or short-term or regular-session institutes for individuals (1) who are engaged in, or preparing to engage in, the use of educational media equipment in teaching in institutions of higher education, or (2) who are, or preparing to be, in institutions of higher education, specialists in educational media or librarians or other specialists using such media.

(b) For the fiscal year ending June 30, 1969, and for the succeeding fiscal year, there may be appropriated for the purposes of this part, only such sums as the Congress may hereafter authorize by law.

(20 U.S.C. 1131) Enacted Nov. 8, 1965, P.L. 89–329, Title VI, sec. 621, 79 Stat. 1265.

STIPENDS

SEC. 622. Each individual who attends an institute operated under the provisions of this part shall be eligible (after application therefor) to receive a stipend at the rate of $75 per week for the period of his attendance at such institute and each such individual with one or more dependents shall receive an additional stipend at the rate of $15 per week for each dependent. No stipends shall be paid for attendance at workshops.

(20 U.S.C. 1132) Enacted Nov. 8, 1965, P.L. 89-329, Title VI, sec. 622, 79 Stat. 1266.

Title VII—Amendments to Higher Education Facilities Act of 1963

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NOTE.—The amendments made by this title are incorporated into the text of the Higher Education Facilities Act, the complete text of which begins on page 235.)

Title VIII—Networks for Knowledge

SHARING EDUCATIONAL AND RELATED RESOURCES

SEC. 801. (a) To encourage colleges and universities to share to an optimal extent, through cooperative arrangements, their technical and other educational and administrative facilities and resources, and in order to test and demonstrate the effectiveness and efficiency of a variety of such arrangements the Commissioner is authorized to enter into contracts and to make project grants for all or part of the cost of planning, developing, or carrying out such arrangements. Such grants may be made to public or nonprofit private colleges or universities. When in the Commissioner's judgment it will more effectively promote the purposes of this title, the Commissioner may make grants to other established public or nonprofit private agencies or organizations, including professional organizations or academic societies and he may enter into contracts with established private agencies and organizations.

(b) Projects for the planning, development, or carrying out of such arrangements assisted under this title may, subject to the provisions of subsection (c), include—

(1)(A) joint use of facilities such as classrooms, libraries, or laboratories, including joint use of necessary books, materials, and equipment; or (B) affording access to specialized library collections through preparation of interinstitutional catalogs and through development of systems and preparation of suitable media for electronic or other rapid transmission of materials;

(2) establishment and joint operation of closed-circuit television or equivalent transmission facilities (such as the instructional television fixed services); and

(3) establishment and joint operation of electronic computer networks and programs therefor, to be available to participating

institutions for such purposes as financial and student records, student course work, or transmission of library materials.

(c)(1) Grants pursuant to clause (B) of paragraph (1) of subsection (b) may not be used to pay the costs of electronic transmission terminals.

(2) In the case of a project for the establishment and operation of a computer network, grants may not include—

(A) the cost of operating administrative terminals or student terminals at participating institutions; or

(B) the cost, or any participating institution's pro rata share of the cost, of using the central computer facilities of the network, except (i) such costs of systems development and programing of computers and transmission costs as are necessary to make the network operational, (ii) the administrative and program support costs of the central facilities of the network, and (iii) the line-access costs incurred by participating institutions.

(20 U.S.C. 1133) Enacted Oct. 16, 1968, P.L. 90–515, Title II, sec. 251, 82 Stat. 1042.

APPROPRIATIONS AUTHORIZED

Sec. 802. There are authorized to be appropriated for the purposes of this title (and planning and related activities in the initial fiscal year for such purpose), $340,000 for the fiscal year ending June 30, 1969, $4,000,000 for the fiscal year ending June 30, 1970, and $15,000,000 for the fiscal year ending June 30, 1971.

(20 U.S.C. 1133a) Enacted Oct. 16, 1968, P.L. 90–575, Title II, sec. 251, 82 Stat. 1043.

AUTHORITY FOR FREE OR REDUCED RATE COMMUNICATIONS INTERCONNECTION SERVICES

Sec. 803. Nothing in the Communications Act of 1934, as amended, or in any other provision of law shall be construed to prevent United States communications common carriers from rendering, subject to such rules and regulations as the Federal Communications Commission may prescribe, free or reduced rate communications interconnection services for interconnection systems within the purview of this title, whether or not included in a project for which a grant is made under this title.

(20 U.S.C. 1133b) Enacted Oct. 16, 1968, P.L. 90–575, Title II, sec. 251, 82 Stat. 1043.

Title IX—Education for the Public Service

PURPOSE

Sec. 901. It is the purpose of this title to establish a program of grants and fellowships to improve the education of students attending institutions of higher education in preparation for entrance into the service of State, local, or Federal governments, and to attract such students to the public service.

(20 U.S.C. 1134) Enacted Oct. 16, 1968, P.L. 90–575, Title II, sec. 251, 82 Stat. 1043.

Part A—Grants and Contracts To Strengthen and Improve Education for the Public Service

PROJECT GRANTS AND CONTRACTS

Sec. 903. The Secretary is authorized to make grants to or contracts with institutions of higher education, or combinations of such institutions, to assist them in planning, developing, strengthening, improving, or carrying out programs or projects (i) for the preparation of graduate or professional students to enter the public service or (ii) for research into, or development or demonstration of, improved methods of education for the public service. Such grants or contracts may include payment of all or part of the cost of programs or projects such as—

(1) planning for the development or expansion of graduate or professional programs to prepare students to enter the public service;

(2) training and retraining of faculty members;

(3) strengthening the public service aspects of courses or curriculums leading to a graduate or professional degree;

(4) establishment, expansion, or operation of centers for study at the graduate or professional level (but not including payment for construction or acquisition of buildings);

(5) conduct of short-term or regular session institutes for advanced study by persons engaged in, or preparing to engage in, the preparation of students to enter the public service;

(6) carrying out innovative and experimental programs of cooperative education involving alternate periods of full-time or part-time academic study at the institution and periods of full-time or part-time public service; and

(7) research into, and development of, methods of training students or faculty, including the preparation of teaching materials and the planning of curriculum.

(20 U.S.C. 1134a) Enacted Oct. 16, 1968, P.L. 90-575, Title II, sec. 261, 82 Stat. 1043-1044.

APPLICATION FOR GRANT OR CONTRACT; ALLOCATION OF GRANTS OR CONTRACTS

Sec. 904. (a) A grant or contract authorized by this part may be made only upon application to the Secretary at such time or times and containing such information as he may prescribe, except that no such application shall be approved unless it—

(1) sets forth programs, activities, research, or development for which a grant is authorized under this part, and describes the relation to any program set forth by the applicant in an application, if any, submitted pursuant to part B;

(2) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this section; and

(3) provides for making such reports, in such form and containing such information, as the Secretary may require to carry

out his functions under this section, and for keeping such records and for affording such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports.

(b) The Secretary shall allocate grants or contracts under this part in such manner as will most nearly provide an equitable distribution of the grants or contracts throughout the United States among institutions of higher education which show promise of being able to use funds effectively for the purposes of this part.

(c)(1) Payments under this section may be used, in accordance with regulations of the Secretary, and subject to the terms and conditions set forth in an application approved under subsection (a), to pay part of the compensation of students employed in public service, other than public service as an employee in any branch of the Government of the United States, as part of a program for which a grant has been approved pursuant to this section.

(2) Departments and agencies of the United States are encouraged, to the extent consistent with efficient administration, to enter into arrangements with institutions of higher education for the full-time, part-time, or temporary employment, whether in the competitive or excepted service, of students enrolled in programs set forth in applications approved under subsection (a).

(20 U.S.C. 1134b) Enacted Oct. 16, 1968, P.L. 90–575, Title II, sec. 261, 82 Stat. 1044.

Part B—Public Service Fellowships

AWARD OF PUBLIC SERVICE FELLOWSHIPS

Sec. 911. The Secretary is authorized to award fellowships in accordance with the provisions of this part for graduate or professional study for persons who plan to pursue a career in public service. Such fellowships shall be awarded for such periods as the Secretary may determine but not to exceed three academic years.

(20 U.S.C. 1134c) Enacted Oct. 16, 1968, P.L. 90–575, Title II, sec. 261, 82 Stat. 1044.

ALLOCATION OF FELLOWSHIPS

Sec. 912. The Secretary shall allocate fellowships under this part among institutions of higher education with programs approved under the provisions of this part for the use of individuals accepted into such programs, in such manner and according to such plan as will insofar as practicable—

(1) provide an equitable distribution of such fellowships throughout the United States; and

(2) attract recent college graduates to pursue a career in public service.

(20 U.S.C. 1134d) Enacted Oct. 16, 1968, P.L. 90–575, Title II, sec. 261, 82 Stat. 1045.

APPROVAL OF PROGRAMS

Sec. 913. The Secretary shall approve a graduate or professional program of an institution of higher education only upon application by the institution and only upon his findings—

(1) that such program has as a principal or significant objective the education of persons for the public service, or the education of persons in a profession or vocation for whose practitioners there is a significant continuing need in the public service as determined by the Secretary after such consultation with other agencies as may be appropriate;

(2) that such program is in effect and of high quality, or can readily be put into effect and may reasonably be expected to be of high quality;

(3) that the application describes the relation of such program to any program, activity, research, or development set forth by the applicant in an application, if any, submitted pursuant to part A; and

(4) that the application contains satisfactory assurance that (A) the institution will recommend to the Secretary, for the award of fellowships under this part, for study in such program, only persons of superior promise who have demonstrated to the satisfaction of the institution a serious intent to enter the public service upon completing the program, and (B) the institution will make reasonable continuing efforts to encourage recipients of fellowships under this part, enrolled in such programs, to enter the public service upon completing the program.

(20 U.S.C. 1134e) Enacted Oct. 16, 1968, P.L. 90–575, Title II, sec. 261, 82 Stat. 1045.

STIPENDS

SEC. 914. (a) The Secretary shall pay to persons awarded fellowships under this part such stipends (including such allowances for subsistence and other expenses for such persons and their dependents) as he may determine to be consistent with prevailing practices under comparable federally supported programs.

(b) The Secretary shall (in addition to the stipends paid to persons under subsection (a)) pay to the institution of higher education at which such person is pursuing his course of study such amount as the Commissioner may determine to be consistent with prevailing practices under comparable federally supported programs.

(20 U.S.C. 1134f) Enacted Oct. 16, 1968, P.L. 90–575, Title II, sec. 261, 82 Stat. 1045.

FELLOWSHIP CONDITIONS

SEC. 915. A person awarded a fellowship under the provisions of this part shall continue to receive the payments provided in this part only during such periods as the Secretary finds that he is maintaining satisfactory proficiency and devoting full time to study or research in the field in which such fellowship was awarded in an institution of higher education, and is not engaging in gainful employment other than employment approved by the Secretary by or pursuant to regulation.

(20 U.S.C. 1134g) Enacted Oct. 16, 1968, P.L. 90–575, Title II, sec. 261, 82 Stat. 1045–1046.

PART C—GENERAL PROVISIONS

DEFINITIONS

SEC. 921. As used in this title—

(a) The term "State" includes the Canal Zone, and the Trust Territory of the Pacific Islands.

(b) The term "institution of higher education" means an educational institution described in the first sentence of section 1201 (other than an institution of any agency of the United States) which is accredited by a nationally recognized accrediting agency or association approved by the Secretary for this purpose. For purposes of this subsection, the Secretary shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of training offered.

(c) The term "public service" means service as an officer or employee in any branch of State, local, or Federal Government.

(d) The term "academic year" means an academic year or its equivalent, as determined by the Secretary.

(20 U.S.C. 1134h) Enacted Oct. 16, 1968, P.L. 90–575, Title II, sec. 261, 82 Stat. 1046.

COORDINATION OF FEDERAL ASSISTANCE

SEC. 922. In administering this title, the Secretary shall give primary emphasis to the assistance of programs and activities not otherwise assisted by the Department of Health, Education, and Welfare, or by other agencies of the Federal Government, so as to promote most effectively the objectives of this title.

(20 U.S.C. 1134i) Enacted Oct. 16, 1968, P.L. 90–575, Title II, sec. 261, 82 Stat. 1046.

LIMITATION

SEC. 923. No grant, contract, or fellowship shall be awarded under this title to, or for study at, a school or department of divinity. For the purposes of this section, the term "school or department of divinity" means an institution or department or branch of an institution whose program is specifically for the education of students to prepare them to become ministers of religion or to enter upon some other religious vocation or to prepare them to teach theological subjects.

(20 U.S.C. 1134j) Enacted Oct. 16, 1968, P.L. 90–575, Title II, sec. 261, 82 Stat. 1046.

REPORT

SEC. 924. The Secretary shall include in his annual report to the Congress a report of activities of his Department under this title, including recommendations for needed revisions in the provisions thereof.

(20 U.S.C. 1134k) Enacted Oct. 16, 1968, P.L. 90–575, Title II, sec. 261, 82 Stat. 1046

AUTHORIZATION OF APPROPRIATIONS

SEC. 925. There are authorized to be appropriated $340,000 for the fiscal year ending June 30, 1969, $5,000,000 for the fiscal year ending June 30, 1970, and $13,000,000 for the fiscal year ending June 30, 1971, to carry out the purposes of this title (and planning and related activities in the initial fiscal year for such purpose). Funds appropriated for the fiscal year ending June 30, 1969, shall be available for obligation pursuant to the provisions of this title during that year and the succeeding fiscal year.

(20 U.S.C. 1134l) Enacted Oct. 16, 1968, P.L. 90-575, Title II, sec. 261, 82 Stat. 1046.

Title X—Improvement of Graduate Programs

STATEMENT OF PURPOSES

SEC. 1001. The purposes of this title are to strengthen and improve the quality of graduate programs leading to a doctoral or professional (other than medical) degree, and to increase the number of such quality programs.

(20 U.S.C. 1135) Enacted Oct. 16, 1968, P.L. 90-575, Title II, sec. 271, 82 Stat. 1047.

APPROPRIATIONS AUTHORIZED; USE OF GRANTS

SEC. 1002. (a) There are authorized to be appropriated $340,000 for the fiscal year ending June 30, 1969, $5,000,000 for the fiscal year ending June 30, 1970, and $10,000,000 for the fiscal year ending June 30, 1971, to enable the Commissioner to make grants to institutions of higher education having programs leading to a degree of doctor of philosophy or comparable professional or other graduate degree, upon such terms and conditions as he may establish, to pay part of the cost of planning, developing, or carrying out projects or activities designed to achieve one or more of the purposes set forth in section 1001. Such amount for the fiscal year ending June 30, 1969, shall also be available for planning and related activities for the purpose of this title. Such grants may be used for experimental, innovative, or interdisciplinary projects or activities such as—

(1) the strengthening of graduate faculties by enlarging their size, improving their academic or professional qualifications, or increasing the number of disciplines in which they are skilled;

(2) the expansion or improvement of existing graduate programs, or the establishment of additional graduate programs;

(3) the acquisition of appropriate equipment or curricular, research, or other materials required to fulfill the objectives of projects or activities described in clause (2);

(4) the development or carrying out of cooperative arrangements among graduate schools in furtherance of the purposes of this title; or

(5) the strengthening of graduate school administration.

(b) No portion of the sums granted under this title may be used—

(1) for payment in excess of 66⅔ per centum of the total cost of such project or activity;

(2) for payment in excess of 50 per centum of the cost of the purchase or rental of books, audiovisual aids, scientific apparatus, or other materials or equipment, less any per centum of such cost, as determined by the Commissioner, that is paid from sums received (other than under this part) as Federal financial assistance; or

(3) for sectarian instruction or religious worship, or primarily in connection with any part of the program of an institution, or department or branch of an institution, whose program is specifically for the education of students to prepare them to become ministers of religion or to enter upon some other religious vocation or to prepare them to teach theological subjects.

(20 U.S.C. 1135a) Enacted Oct. 16, 1968, P.L. 90-575, Title II, sec. 271, 82 Stat. 1047.

SELECTION OF GRANT RECIPIENTS

Sec. 1003. In the awarding of grants under this title the Commissioner shall, insofar as practicable and consistent with the other purposes of this title, give weight to the objective of having an adequate number of graduate and professional schools of good quality within each appropriate region.

(20 U.S.C. 1135b) Enacted Oct. 16, 1968, P.L. 90-575, Title II, sec. 271, 82 Stat. 1048.

CONSULTATION

Sec. 1004. In the development of general policy governing the administration of this title, the Commissioner shall consult with the National Science Foundation, the National Foundation on the Arts and the Humanities, and the Federal Judicial Center for the purpose of promoting the coordination of Federal programs bearing on the purposes of this title.

(20 U.S.C. 1135c) Enacted Oct. 16, 1968, P.L. 90-575, Title II, sec. 271, 82 Stat. 1048.

Title XI—Law School Clinical Experience Programs

PROGRAM AUTHORIZATION

Sec. 1101. (a) The Commissioner is authorized to enter into contracts with accredited law schools in the States for the purpose of paying not to exceed 90 per centum of the cost of establishing or expanding programs in such schools to provide clinical experience to students in the practice of law, with preference being given to programs providing such experience, to the extent practicable, in the preparation and trial of cases.

(b) Such costs may include necessary expenditures incurred for—

(1) planning;

(2) training of faculty members and salary for additional faculty members;

(3) travel and per diem for faculty and students;

(4) reasonable stipends for students for work in the public service performed as part of any such program at a time other than during the regular academic year;

(5) equipment; and

(6) such other items as are allowed pursuant to regulations issued by the Commissioner.

(c) No law school may receive more than $75,000 in any fiscal year pursuant to this title.

(d) For the purpose of this title the term "accredited law school" means any law school which is accredited by a nationally recognized accrediting agency or association approved by the Commissioner for this purpose.

(20 U.S.C. 1136) Enacted Oct. 16, 1968, P.L. 90–575, Title II, sec. 281, 82 Stat. 1048.

APPLICATIONS

Sec. 1102. (a) A contract authorized by this title may be made by the Commissioner upon application which—

(1) is made at such time or times and contains such information as he may prescribe;

(2) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this title; and

(3) provides for making such reports, in such form and containing such information as the Commissioner may require to carry out his functions under this title, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(b) The Commissioner shall allocate contracts under this title in such manner as will provide an equitable distribution of such contracts throughout the United States among law schools which show promise of being able to use funds effectively for the purposes of this title.

(20 U.S.C. 1136a) Enacted Oct. 16, 1968, P.L. 90–575, Title II, sec. 281, 82 Stat. 1048–1049.

AUTHORIZATION OF APPROPRIATIONS

Sec. 1103. There are authorized to be appropriated $340,000 for the fiscal year ending June 30, 1969, and $7,500,000 for each of the fiscal years ending June 30, 1970, and June 30, 1971, to carry out the purposes of this title (and planning and related activities in the initial fiscal year for such purposes). Funds appropriated for the fiscal year ending June 30, 1969, shall be available for obligation pursuant to the provisions of this title during that year and the succeeding fiscal year.

(20 U.S.C. 1136b) Enacted Oct. 16, 1968, P.L. 90–575, Title II, sec. 281, 82 Stat. 1049.

Title XII—General Provisions

DEFINITIONS

Sec. 1201. As used in this Act—

(a) The term "institution of higher education" means an educational institution in any State which (1) admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate, (2) is legally authorized within such State to provide a program of education beyond secondary education, (3) provides an educational program for which it awards a bachelor's degree or provides not less than a two-year program which is acceptable for full credit toward such a degree, (4) is a public or other nonprofit institution, and (5) is accredited by a nationally recognized accrediting agency or association or, if not so accredited, (A) is an institution with respect to which the Commissioner has determined that there is satisfactory assurance, considering the resources available to the institution, the period of time, if any, during which it has operated, the effort it is making to meet accreditation standards, and the purpose for which this determination is being made, that the institution will meet the accreditation standards of such an agency or association within a reasonable time, or (B) is an institution whose credits are accepted, on transfer, by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited. Such term also includes any school which provides not less than a one-year program of training to prepare students for gainful employment in a recognized occupation and which meets the provision of clauses (1), (2), (4), and (5). For purpose of this subsection, the Commissioner shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of training offered.

(b) The term "State" includes, in addition to the several States of the Union, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, and the Virgin Islands.

(c) The term "nonprofit" as applied to a school, agency, organization, or institution means a school, agency, organization, or institution owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(d) The term "secondary school" means a school which provides secondary education as determined under State law except that it does not include any education provided beyond grade 12.

(e) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(f) The term "Commissioner" means the Commissioner of Education.

(g) The term "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for, public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts of counties as are recognized in a State as an administrative agency for its public elementary or secondary schools. Such term also includes any other public institution or agency having administrative control and direction of a public elementary or secondary school.

(h) The term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the Governor or by State law.

(i) The term "elementary school" means a school which provides elementary education including education below grade 1, as determined under State law.

(j) The term "combination of institutions of higher education" means a group of institutions of higher education that have entered into a cooperative arrangement for the purpose of carrying out a common objective, or a public or private nonprofit agency, organization, or institution designated or created by a group of institutions of higher education for the purpose of carrying out a common objective on their behalf.

(k) The term "gifted and talented children" means, in accordance with objective criteria prescribed by the Commissioner, children who have outstanding intellectual ability or creative talent.

(29 U.S.C. 1141) Enacted Nov. 8, 1965, P.L. 89–329, Title VIII, sec. 801, 78 Stat. 1269; amended Oct. 16, 1968, P.L. 90–575, Title II, sec. 251, 293, and 294, 82 Stat. 1042 and 1050–51; amended April 13, 1970, P.L. 91–230, sec. 806(b), 84 Stat. 192.

METHOD OF PAYMENT

Sec. 1202. Payments under this Act to any individual or to any State or Federal agency, institution of higher education, or any other organization, pursuant to a grant, loan, or contract, may be made in installments, and in advance or by way of reimbursement, and in the case of grants or loans, with necessary adjustments on account of overpayments or underpayments.

(20 U.S.C. 1142) Enacted Nov. 8, 1965, P.L. 89–329, Title VIII, sec. 802, 79 Stat. 1270; amended Oct. 16, 1968, P.L. 90–575, Title II, sec. 251, 82 Stat. 1042.

Sec. 1203. Repealed.

Sec. 1204.

(a) Repealed.

(b) Nothing contained in this Act or any other Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the membership practices or internal operations of any fraternal organization, fraternity, sorority, private club or religious organization at an institution of higher education (other than a service academy or the Coast Guard Academy) which is financed exclusively by funds derived from private sources and whose facilities are not owned by such institution.

(20 U.S.C. 1144) Enacted Nov. 8, 1965, P.L. 89–329, Title VIII, sec. 804, 79 Stat. 1270; amended Oct. 16, 1968, P.L. 90–575, Title II, sec. 251, 82 Stat. 1042; subsection (a) repealed April 13, 1970, P.L. 91–230, sec. 401(f) and superseded by sec. 422 of P.L. 90–247 as amended (20 U.S.C. 1232).

ADVISORY COUNCIL ON GRADUATE EDUCATION

Sec. 1205. (a) There is hereby established in the Office of Education an Advisory Council on Graduate Education (hereafter in this section referred to as the "Council"), consisting of the Commissioner, who shall be Chairman, of one representative each from the Office of Science and Technology in the Executive Office of the President, the National Science Foundation, and the National Foundation on the Arts and the Humanities, and of members appointed by the Commissioner without regard to the civil service or classification laws. Such appointed members shall be selected from among leading authorities in the field of education, except that at least one of them shall be a graduate student.

(b) The Council shall advise the Commissioner on matters of general policy arising in the administration by the Commissioner of programs relating to graduate education.

Enacted Oct. 16, 1968, P.L. 90–575, title II, sec. 291, 82 Stat. 1049–1050; subsections (c) and (d) repealed Apr. 13, 1970, P.L. 91–230, sec. 401(h) and superseded by part C of title IV of P.L. 90–247, as amended.

Sec. 1206–1210. Repealed.

Secs. 1206–1210 repealed by sec. 401 of P.L. 91–230 and replaced by 20 U.S.C. 1231, 20 U.S.C. 1221(c), 1222(a), 1223, 1224, 1225, respectively.

Legislative History

(P.L. 89–329)

House Reports: No. 621 (Committee on Education and Labor) and No. 1178 (committee of conference).
Senate Report No. 673 (Committee on Labor and Public Welfare).
Congressional Record, volume 111 (1965):
  August 26: Considered and passed House.
  September 1: Considered in Senate.
  September 2: Considered and passed Senate, amended.
  October 20: House and Senate agreed to conference report.
Approved: November 8, 1965.

(P.L. 89–752)

House Reports: No. 1467 (Committee on Education and Labor) and No. 2326 (committee of conference).
Senate Report No. 1677 (Committee on Labor and Public Welfare).
Congressional Record, volume 112 (1966):
  May 22: Considered and passed House.
  October 7: Considered in Senate.
  October 10: Considered and passed Senate, amended.
  October 21: House and Senate agreed to conference report.
Approved: November 3, 1966.

(P.L. 90–82)

House Report No. 543 (Committee on Education and Labor).
Senate Report No. 539 (Committee on Labor and Public Welfare).
Congressional Record, volume 113 (1967):
  August 10: Considered and passed House.
  August 25: Considered and passed Senate.
Approved: September 6, 1967.

(P.L. 90–575)

House Reports: No. 1649 accompanying H.R. 15067 (Committee on Education and Labor) and No. 2326 (committee of conference).
Senate Report No. 1387 (Committee on Labor and Public Welfare).
Congressional Record, volume 114 (1968):
  July 15: Considered and passed Senate.
  July 24, 25: Considered and passed House, amended, in lieu of H.R. 15067.
  September 26: House agreed to conference report.
  October 1: Senate agreed to conference report.
Approved October 16, 1968.

(P.L. 91-230)

House Reports: No. 91-114 (Committee on Education and Labor) and No. 91-937 (committee of conference).
Senate Report No. 91-634 (Committee on Labor and Public Welfare).
Congressional Record:
  Volume 115 (1969): Apr. 23, considered and passed House.
  Volume 116 (1970):
    February 4-6, 9, 10, 16-18, considered in Senate.
    February 19, considered and passed Senate, amended.
    March 24, 25, Senate considered conference report.
    April 1, Senate agreed to conference report.
    April 7, House agreed to conference report.
Approved: April 13, 1970.

Higher Education Amendments of 1966

(P.L. 89-752)

AN ACT To amend the Higher Education Facilities Act of 1963, the Higher Education Act of 1965, and the National Defense Education Act of 1958

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Higher Education Amendments of 1966".

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STUDY TO DETERMINE MEANS OF IMPROVING LOAN INSURANCE PROGRAM

SEC. 13. The Commissioner of Education shall make an investigation and study to determine means of improving the loan insurance program pursuant to part B of title IV of the Higher Education Act of 1965, particularly for the purpose of making loans insured under such program more readily available to students. The Commissioner shall report the results of such investigation and study, together with his recommendations for any legislation necessary to carry out such improvements, to the President and the Congress no later than January 1, 1968.

(20 U.S.C. 1071n) Enacted Nov. 3, 1966, P.L. 89-752, 80 Stat. 1244.

Higher Education Amendments of 1968

(P.L. 90-575)

AN ACT To amend the Higher Education Act of 1965, the National Defense Education Act of 1958, the National Vocational Student Loan Insurance Act of 1965, the Higher Education Facilities Act of 1963, and related Acts.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act, with the following table of contents, may be cited as the "Higher Education Amendments of 1968".

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TITLE V—MISCELLANEOUS

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ELIGIBILITY FOR STUDENT ASSISTANCE

SEC. 504. (a) If an institution of higher education determines, after affording notice and opportunity for hearing to an individual attending, or employed by, such institution, that such individual has been convicted by any court of record of any crime which was committed after the date of enactment of this Act and which involved the use of (or assistance to others in the use of) force, disruption, or the seizure of property under control of any institution of higher education to prevent officials or students in such institutions from engaging in their duties or pursuing their studies, and that such crime was of a serious nature and contributed to a substantial disruption of the administration of the institution with respect to which such crime was committed, then the institution which such individual attends, or is employed by, shall deny for a period of two years any further payment to, or for the direct benefit of, such individual under any of the programs specified in subsection (c). If an institution denies an individual assistance under the authority of the preceding sentence of this subsection, then any institution which such individual subsequently attends shall deny for the remainder of the two-year period any further payment to, or for the direct benefit of, such individual under any of the programs specified in subsection (c).

(b) If an institution of higher education determines, after affording notice and opportunity for hearing to an individual attending, or employed by, such institution, that such individual has willfully refused to obey a lawful regulation or order of such institution after the date of enactment of this Act, and that such refusal was of a serious nature and contributed to a substantial disruption of the administration of such institution, then such institution shall deny, for a period of two years, any further payment to, or for the direct benefit of, such individual under any of the programs specified in subsection (c).

(c) The programs referred to in subsections (a) and (b) are as follows:

(1) The student loan program under title II of the National Defense Education Act of 1958.

(2) The educational opportunity grant program under part A of title IV of the Higher Education Act of 1965.

(3) The student loan insurance program under part B of title IV of the Higher Education Act of 1965.

(4) The college work-study program under part C of title IV of the High Education Act of 1965.

(5) Any fellowship program carried on under title II, III, or V of the Higher Education Act of 1965 or title IV or VI of the National Defense Education Act of 1958.

(d)(1) Nothing in this Act, or any Act amended by this Act, shall be construed to prohibit any institution of higher education from refusing to award, continue, or extend any financial assistance under any such Act to any individual because of any misconduct which in its judgment bears adversely on his fitness for such assistance.

(2) Nothing in this section shall be construed as limiting or prejudicing the rights and prerogatives of any institution of higher education to institute and carry out an independent, disciplinary proceeding pursuant to existing authority, practice, and law.

(3) Nothing in this section shall be construed to limit the freedom of any student to verbal expression of individual views or opinions.

(20 U.S.C. 1060) Enacted Oct. 16, 1968, P.L. 90–575, Title V, sec. 504, 82 Stat. 1062, 1063.

DUPLICATION OF BENEFITS

SEC. 506. No grant, award, or loan of assistance to any student under any Act amended by this Act shall be considered a duplication of benefits for the purposes of section 1781 of title 38, United States Code.

(20 U.S.C. 1060) Enacted Oct. 16, 1968, P.L. 90–575, Title V, sec. 506, 82 Stat. 1063.

FINANCIAL AID TO STUDENTS NOT TO BE TREATED AS INCOME OR RESOURCES UNDER CERTAIN PROGRAMS

SEC. 507. For the purpose of any program assisted under title I, IV, X, XIV, XVI, or XIX of the Social Security Act, no grant or loan to any undergraduate student for educational purposes made or insured under any program administered by the Commissioner of Education shall be considered to be income or resources.

(20 U.S.C. 1060) Enacted Oct. 16, 1968, P.L. 90–575, Title V, sec. 507, 82 Stat. 1063.

PRESIDENTIAL RECOMMENDATION WITH RESPECT TO POST-SECONDARY EDUCATION FOR ALL

SEC. 508. On or before December 31, 1969, the President shall submit to the Congress proposals relative to the feasibility of making available a post-secondary education to all young Americans who qualify and seek it.

Enacted Oct. 16, 1968, P.L. 90–575, Title V, sec. 508, 82 Stat. 1063.

(P.L. 90–575)

House Reports: No. 1649 accompanying H.R. 15067 (Committee on Education and Labor) and No. 1919 (committee of conference).
Senate Report No. 1387 (Committee on Labor and Public Welfare).
Congressional Record, volume 114 (1968):
July 15: Considered and passed Senate.
July 24, 25: Considered and passed House, amended, in lieu of H.R. 15067.
September 26: House agreed to conference report.
October 1: Senate agreed to conference report.
Approved October 16, 1968.

EMERGENCY INSURED STUDENT LOAN ACT OF 1969

(PUBLIC LAW 91–95)

AN ACT To authorize special allowances for lenders with respect to insured student loans under title IV–B of the Higher Education Act of 1965 when necessary in the light of economic conditions in order to assure that students will have reasonable access to such loans for financing their education, and to increase the authorizations for certain other student assistance programs.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Emergency Insured Student Loan Act of 1969".

INCENTIVE PAYMENTS ON INSURED STUDENT LOANS

SEC. 2. (a)(1) Whenever the Secretary of Health, Education, and Welfare determines that the limitations on interest or other conditions (or both) applicable under part B of title IV of the Higher Education Act of 1965 (Public Law 89-329) to student loans eligible for insurance by the Commissioner of Education or under a State or nonprofit private insurance program covered by an agreement under section 428(b) of such Act, considered in the light of the then current economic conditions and in particular the relevant money market, are impeding or threatening to impede the carrying out of the purposes of such part B and have caused the return to holders of such loans to be less than equitable, he is hereby authorized, by regulation applicable to a three-month period specified therein, to prescribe (after consultation with the Secretary of the Treasury and the heads of other appropriate agencies) a special allowance to be paid by the Commissioner of Education to each holder of an eligible loan or loans. The amount of such allowance to any holder with respect to such period shall be a percentage, specified in such regulation, of the average unpaid balance of disbursed principal (not including interest added to principal) of all eligible loans held by such holder during such period, which balance shall be computed in a manner specified in such regulation; but no such percentage shall be set at a rate in excess of 3 per centum per annum.

(2) A determination pursuant to paragraph (1) may be made by the Secretary of Health, Education, and Welfare, on a national, regional, or other appropriate basis and the regulations based thereon may, accordingly, set differing allowance rates for different regions or other areas or clasifications of lenders, within the limit of the maximum rate set forth in paragraph (1).

(3) For each three-month period with respect to which the Secretary of Health, Education, and Welfare prescribes a special allowance, the determination required by paragraph (1) shall be made, and the percentage rate applicable thereto shall be set, by promulgation of a new regulation or by amendment to a regulation applicable to a prior period or periods.

(4) The special allowance established for any such three-month period shall be payable at such time, after the close of such period, as may be specified by or pursuant to regulations promulgated under this Act. The holder of a loan with respect to which any such allowance is to be paid shall be deemed to have a contractual right, as against the United States, to receive such allowance from the Commissioner.

(5) Each regulation or amendment, prescribed under this Act, which establishes a special allowance with respect to a three-month period specified in the regulation or amendment shall, notwithstanding section 505 of the Higher Education Amendments of 1968, apply to the three-month period immediately preceding the period in which such regulation or amendment is published in the Federal Register, except that the first such regulation may be made effective as of August 1, 1969, and notwithstanding other provisions of this section requiring a three-month period, may be made effective for a period of less than three months.

(6)(A) The Secretary of Health, Education, and Welfare shall determine, with respect to the student insured loan program as authorized under part B of title IV of the Higher Education Act of 1965 and this Act, whether there are any practices of lending institutions which may result in discrimination against particular classes or categories of students, including the requirement that as a condition to the receipt of a loan the student or his family maintain a business relationship with the lender, the consequences of such requirement, and the practice of refusing to make loans to students for their freshman year of study, and also including any discrimination on the basis of sex, color, creed, or national origin. The Secretary shall make a report with respect to such determination, and his recommendations, to the Congress on or before March 1, 1970.

(B) If, after making such determination, the Secretary finds that, in any area, a substantial number of eligible students are denied a fair opportunity to obtain an insured student loan because of practices of lending institutions in the area which limit student participation, (i) he shall take such steps as may be appropriate, after consultation with the appropriate State guarantee agencies and the Advisory Council on Financial Aid to Students, relating to such practices and to encourage the development in such area of a plan to increase the availability of financial assistance opportunities for such students, and (ii) he shall, within sixty days after making such dtermination, adopt or amend appropriate regulations prtaining to the student insured loan program to prevent, where practicable, any practices which he finds have denied loans to a substantial number of students.

(7) As used in this Act, the term "eligible loan" means a loan made on or after August 1, 1969, and prior to July 1, 1971, which is insured under title IV–B of the Higher Education Act of 1965, or made under a program covered by an agreement under section 428(b) of such Act.

(b) The Commissioner of Education shall pay the holder of an eligible loan, at such time or times as are specified in regulations, a special allowance prescribed pursuant to subsection (a), subject to the condition that such holder shall submit to the Commissioner, at such time or times and in such manner as he may deem proper, such information as may be required by regulation for the purpose of enabling the Secretary of Health, Education, and Welfare and the Commissioner to carry out their functions under this Act and to carry out the purposes of this Act.

(c)(1) There are hereby authorized to be appropriated for special allowances as authorized by this section not to exceed $20,000,000 for the fiscal year ending June 30, 1970, $40,000,000 for the fiscal year ending June 30, 1971, and for succeeding fiscal years such sums as may be necessary.

(2) Sums available for expenditure pursuant to appropriations made for the fiscal year ending June 30, 1969, under section 421(b) (other than clause (1) thereof) of the Higher Education Act of 1965 shall be available for payment of special allowances under this Act. The authorization in paragraph (1) shall be reduced by the amount made available pursuant to this paragraph.

LEGISLATIVE HISTORY

(P.L. 91-95)

House Reports: No. 91-455 (Comm. on Education & Labor) and No. 91-560 (Comm. of Conference).
Senate Report: No. 91-368 accompanying S. 2721 (Comm. on Labor & Public Welfare).
Congressional Record, Vol 115 (1969):
  Aug. 11, 12: House objected to requests for consideration.
  Sept. 15: Considered and passed House.
  Aug. 12, Sept. 16: Considered and passed Senate, amended, in lieu of S. 2721.
  Oct 13: Senate agreed to conference report.
  Oct. 16: House agreed to conference report.
Approved: October 22, 1969.

Higher Education Facilities Act of 1963

(P.L. 88-204)

AN ACT To authorize assistance to public and other nonprofit institutions of higher education in financing the construction, rehabilitation, or improvement of needed academic and related facilities in undergraduate and graduate institutions

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Higher Education Facilities Act of 1963".

FINDINGS AND DECLARATION OF POLICY

SEC. 2. The Congress hereby finds that the security and welfare of the United States require that this and future generations of American youth be assured ample opportunity for the fullest development of their intellectual capacities, and that this opportunity will be jeopardized unless the Nation's colleges and universities are encouraged and assisted in their efforts to accommodate rapidly growing numbers of youth who aspire to a higher education. The Congress further finds and declares that these needs are so great and these steps so urgent that it is incumbent upon the Nation to take positive and immediate action to meet these needs through assistance to institutions of higher education, including graduate and undergraduate institutions, junior and community colleges, and technical institutes, in providing certain academic facilities.

(20 U.S.C. 701) Enacted Dec. 16, 1963, P.L. 88-204, sec. 2, 77 Stat. 363.

Title I—Grants for Construction of Undergraduate Academic Facilities

APPROPRIATIONS AUTHORIZED

SEC. 101. (a) The Commissioner of Education (hereinafter in this Act referred to as the "Commissioner") shall carry out a program of grants to institutions of higher education for the construction of academic facilities in accordance with this title.

(b) For the purpose of making grants under this title, there is hereby authorized to be appropriated the sum of $230,000,000 for the fiscal year ending June 30, 1964, and for the succeeding fiscal year, $460,000,000 for the fiscal year ending June 30, 1966, $475,000,000 for the fiscal year ending June 30, 1967, $728,000,000 for the fiscal year ending June 30, 1968, and $936,000,000 for each of the succeeding fiscal years ending prior to July 1, 1971. In addition to the sums authorized to be appropriated for each fiscal year for which an appropriation is authorized by the preceding sentence, there is hereby authorized to be appropriated for that fiscal year for making such grants the difference (if any) between any specific sums authorized to be appropriated under the preceding sentence for the preceding fiscal year and the sums which were appropriated for such preceding year under such sentence.

(c) Sums appropriated pursuant to subsection (b) of this section shall remain available for reservation as provided in section 109 until the close of the fiscal year next succeeding the fiscal year for which they were appropriated.

(20 U.S.C. 711) Enacted Dec. 16, 1963, P.L. 88–204, Title I, sec. 101, 77 Stat. 364; amended Nov. 8, 1965, P.L. 89–329, Title VII, sec. 701(b), 79 Stat. 1267; amended Nov. 3, 1966, P.L. 89–752, sec. 2 (a), (b), 80 Stat. 1240; amended Oct. 16, 1968, P.L. 90–575, Title IV, sec. 401(a) (1), (2), 82 Stat. 1059.

ALLOTMENTS

SEC. 102. The following percentage of the funds appropriated pursuant to section 101 for a fiscal year shall be allotted among the States in the manner prescribed by section 103 for use in providing academic facilities for public community colleges and public technical institutes:

(1) In the case of fiscal years ending before July 1, 1967, 22 per centum.

(2) In the case of the fiscal year ending June 30, 1968, 23 per centum.

(3) In the case of fiscal years ending after June 30, 1963, 24 per centum.

The remainder of the funds so appropriated for any fiscal year shall be allotted among the States in the manner as prescribed in section 104 for use in providing academic facilities for institutions of higher education other than public community colleges and public technical institutes.

(20 U.S.C. 712) Enacted Dec. 16, 1963, P.L. 88–204, Title I, sec. 102, 77 Stat 364; amended Nov. 3, 1966, P.L. 89–752, sec. 2(c), 80 Stat. 1241.

ALLOTMENTS TO STATES FOR PUBLIC COMMUNITY COLLEGES AND PUBLIC TECHNICAL SCHOOLS

SEC. 103. (a) The funds to be allotted for any fiscal year for use in providing academic facilities for public community colleges and public technical institutes shall be allotted among the States on the basis of the income per person and the number of high school graduates of the respective States. Such allotments shall be made as follows: The Commissioner shall allot to each State for each fiscal year an amount which bears the same ratio to the funds being allotted as the product of—

(1) the number of high school graduates of the State, and

(2) the State's allotment ratio (as determined under subsection (d))

bears to the sum of the corresponding products for all the States. The amount allotted to any State under the preceding sentence for any fiscal year which is less than $50,000 shall be increased to $50,000, the total of increases thereby required being derived by proportionately reducing the amount allotted to each of the remaining States under the preceding sentence, but with such adjustments as may be necessary to prevent the allotment of any such remaining States from being thereby reduced to less than $50,000.[10]

(b)(1) The amount of each allotment to a State under this section shall be available, in accordance with the provisions of this title, for payment of the Federal share (as determined under sections 108(b)(3) and 401(d)) of the development cost of approved projects for the construction of academic facilities within such State for public community colleges and public technical institutes.

(2) Notwithstanding any other provisions of this title, any portion of a State's allotment under this section for a fiscal year for which applications from an institution qualified to receive grants under this section have not been received by the State Commission by January 1 of such fiscal year, shall, if the Commission so requests, be available, in accordance with the provisions of this title, for payment of the Federal share (as determined under sections 108(b)(3) and 401(d)) of the development cost of approved projects for the construction of academic facilities within such State for institutions of higher education other than public community colleges and public technical institutes.

(c) All amounts allotted under this section for any fiscal year which are not reserved as provided in section 109 by the close of the fiscal year for which they are allotted, shall be reallotted by the Commissioner, on the basis of such factors as he determines to be equitable and reasonable, among the States which, as determined by the Commissioner, are able to use without delay any amounts so reallotted for the purposes set forth in subsection (b) of this section. Amounts reallotted under this subsection shall be available for reservation until the close of the fiscal year next succeeding the fiscal year for which they were originally allotted.

(d) For purposes of this section—

(1) The "allotment ratio" for any State shall be 1.00 less the product of (A) .50 and (B) the quotient obtained by dividing the income per person for the State by the income per person for all the States (not including Puerto Rico, the Virgin Islands, American Samoa, and Guam), except that (i) the allotment ratio shall in no case be less than .33⅓ or more than .66⅔, (ii) the allotment ratio for Puerto Rico, the Virgin Islands, American Samoa, and Guam shall be .66⅔ and (iii) the allotment ratio of any State shall be .50 for any fiscal year if the Commissioner finds that the cost of school construction in such State exceeds twice the median of such costs in all the States as determined by him on the basis of an index of the average per pupil cost of constructing minimum

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[10] This sentence shall apply with respect to fiscal years ending on or after June 30, 1969.

school facilities in the States as determined for such fiscal year under section 15(6) of the Act of September 23, 1950, as amended (20 U.S.C. 645), or, in the Commissioner's discretion, on the basis of such index and such other statistics and data as the Commissioner shall deem adequate and appropriate; and

(2) The allotment ratios shall be promulgated by the Commissioner as soon as possible after enactment of this Act, and annually thereafter, on the basis of the average of the incomes per person of the States and of all the States for the three most recent consecutive calendar years for which satisfactory data are available from the Department of Commerce.

(3) The term "high school graduate" means a person who has received formal recognition (by diploma, certificate, or similar means) from an approved school for successful completion of four years of education beyond the first eight years of schoolwork, or for demonstration of equivalent achievement. For the purposes of this section the number of high school graduates shall be limited to the number who graduated in the most recent school year for which satisfactory data are available from the Department of Health, Education, and Welfare. The interpretation of the definition of "high school graduate" shall fall within the authority of the Commissioner.

(20 U.S.C. 713) Enacted Dec. 16. 1963, P.L. 88–204, Title I, sec. 103, 77 Stat. 365; amended Nov. 8, 1965, P.L. 89–329, Title VII, sec. 702(a)(1), (2), 79 Stat. 1267; amended Nov. 3, 1966, P.L. 89–752, sec. 2(d), 80 Stat. 1241; amended Oct. 16, 1968, P.L. 90–575, Title IV, sec. 401(a), 406(a)(4), 82 Stat. 1059, 1061.

ALLOTMENTS TO STATES FOR INSTITUTIONS OF HIGHER EDUCATION OTHER THAN PUBLIC COMMUNITY COLLEGES AND PUBLIC TECHNICAL INSTITUTES

SEC. 104. (a) Of the funds to be allotted for any fiscal year for use in providing academic facilities for institutions of higher education other than public community colleges and public technical institutes (1) one-half shall be allotted by the Commissioner among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such one-half as the number of students enrolled in institutions of higher education in such State bears to the total number of students enrolled in such institutions in all the States; and (2) the remaining one-half shall be allotted by him among the States so that the allotment to each State under this clause will be an amount which bears the same ratio to such remainder as the number of students enrolled in grades nine to twelve (both inclusive) of schools in such State bears the total number of students in such grades in schools in all the States. The amount allotted to any State under the preceding sentence for any fiscal year which is less than $50,000 shall be increased to $50,000, the total of increases thereby required being derived by proportionately reducing the amount allotted to each of the remaining States under the preceding sentence, but with such adjustments as may be necessary to prevent the allotment of any such remaining States from being thereby reduced to less than $50,000.[11] For the purposes of this subsection, (A) the number of students enrolled in institutions of higher education shall be deemed to be equal to the sum of (i) the number of full-time students and (ii) the full-time equivalent of the number of part-time students as determined by the Commissioner in accordance with regulations; and (B) determinations as to enrollment under either clause (1) or clause (2) of this subsection shall be made by the Commissioner on the basis of data for the most recent year for which satisfactory data with respect to such enrollment are available to him.

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[11] **This sentence shall apply with respect to fiscal years ending on or after June 30, 1969.**

(b) (1) The amount of each allotment to a State under this section shall be available, in accordance with the provisions of this title, for payment of the Federal share (as determined under sections 108(b) (3) and 401(d)) of the development cost of approved projects for the construction of academic facilities within such State for institutions of higher education other than public community colleges and public technical institutes.

(2) Notwithstanding any other provisions of this title, any portion of a State's allotment under this section for a fiscal year for which applications from an institution qualified to receive grants under this section have not been received by the State Commission by January 1 of such fiscal year, shall, if the Commission so requests, be available, in accordance with the provisions of this title, for payment of the Federal share (as determined under sections 108(b) (3) and 401(d)) of the development cost of approved projects for the construction of academic facilities within such State for public community colleges and public technical institutes.

(c) All amounts allotted under this section for any fiscal year which are not reserved as provided in section 109 by the close of the fiscal year for which they are allotted, shall be reallotted by the Commissioner, on the basis of such factors as he determines to be equitable and reasonable, among the States which, as determined by the Commissioner, are able to use without delay any amounts so reallotted for the purposes set forth in subsection (b) of this section. Amounts reallotted under this subsection shall be available for reservation until the close of the fiscal year next succeeding the fiscal year for which they were originally allotted.

(20 U.S.C. 714) Enacted Dec. 16, 1963, P.L. 88–204, Title I, sec. 104, 77 Stat. 366; amended Nov. 8, 1965, P.L. 89–329, Title VII, sec. 702(b)(1), (2), 79 Stat. 1267; amended Nov. 3, 1966, P.L. 89–752, sec. 2(d), 80 Stat. 1241; amended Oct. 16, 1968, P.L. 90–575, Title IV, sec. 401, 406(a), 82 Stat. 1059, 1061.

STATE COMMISSIONS AND PLANS

SEC. 105. (a) Any State desiring to participate in the grant program under this title shall designate for that purpose an existing State agency which is broadly representative of the public and of institutions of higher education (including junior colleges and technical institutes) in the State, or, if no such State agency exists, shall establish such a State agency, and submit to the Commissioner through the agency so designated or established (in this title referred to as the "State commission"), a State plan for such participation. The Commissioner shall approve any such plan which—

(1) provides that it shall be administered by the State commission;

(2) sets forth, consistently with basic criteria prescribed by regulation pursuant to section 107, objective standards and methods (A) for determining the relative priorities of eligible projects for the construction of academic facilities submitted by institutions of higher education within the State, and (B) for determining the Federal share of the development cost of each such project (unless such plan provides for a uniform Federal share for all such projects);

(3) provides that the funds allotted (or reallotted) for any year under section 103 will be available (except as provided in section 103(b)(2)) only for use for the construction of academic facilities for public community colleges and public technical institutes, and that funds allotted (or reallotted) for any year to the State under section 104 will be available (except as provided in section 104(b)(2)) only for use for the construction of academic facilities for institutions of higher education other than public community colleges and public technical institutes;

(4) provides (A) for assigning priorities solely on the basis of such criteria, standards, and methods to eligible projects submitted to the State commission and deemed by it to be otherwise approvable under the provisions of this title; and (B) for approving and recommending to the Commissioner, in the order of such priority, applications covering such eligible projects, and for certifying to the Commissioner the Federal share, determined by the State commission under the State plan, of the development cost of the project involved;

(5) provides for affording to every applicant, which has submitted to the State commission a project, an opportunity for a fair hearing before the State commission as to the priority assigned to such project or as to any other determination of the State commission adversely affecting such applicant; and

(6) provides (A) for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the State commission under this title, and (B) for the making of such reports, in such form and containing such information, as may be reasonably necessary to enable the Commissioner to perform his functions under this title.

(b) The Commissioner is authorized to expend not exceeding $3,000,000 during the fiscal year ending June 30, 1965, and June 30, 1966, and not exceeding $7,000,000 for the fiscal year ending June 30, 1967, and each of the four succeeding fiscal years, in such amounts as he may consider necessary (1) for the proper and efficient administration of the State plans approved under this title, and under part A of title VI of the Higher Education Act of 1965, including expenses which he determines were necessary for the preparation of such plans, and (2) for grants, upon such terms and conditions as the Commissioner determines will best further the purposes of this Act, to State commissions for conducting, either directly or through other appropriate agencies and institutions, comprehensive planning to determine the construction needs of institutions (and particularly combinations and regional groupings of institutions) of higher education. Not more than $3,000,000 may be expended in any fiscal year for the purposes set forth in clause (1).

(20 U.S.C. 715) Enacted Dec. 16, 1963, P.L. 88–204, Title I, sec. 105, 77 Stat. 367; amended Nov. 8, 1965; P.L. 89–329, Title VII, sec. 702(a)(3), (4), (b)(3), (c)(1), 79 Stat. 1267, 1268; amended Nov. 3, 1966, P.L. 89–752, sec. 3(a), 80 Stat. 1241; amended Oct. 16, 1968, P.L. 90–575, Title IV, sec. 401(a)(3), 82 Stat. 1059.

ELIGIBILITY FOR GRANTS

Sec. 106. An institution of higher education shall be eligible for a grant for construction of an academic facility under this title only if such construction will, either alone or together with other construction to be undertaken within a reasonable time, (1) result in an urgently needed substantial expansion of the institution's student enrollment capacity, capacity to provide needed health care to students or personnel of the institution, or capacity to carry out extension and continuing education programs on the campus of such institution, or (2) in the case of a new institution of higher education, result in creating urgently needed enrollment capacity, capacity to provide needed health care to students or personnel of the institution, or capacity to carry out extension and continuing education programs on the campus of such institution. If the Commissioner finds that the student enrollment capacity of an institution would decrease if an urgently needed academic facility is not constructed, construction of such a facility may be considered for the purpose of this section, to result in expansion of the institution's student enrollment capacity.

(20 U.S.. 716) Enacted Dec. 16, 1963, P.L. 88–204, Title I, sec. 106, 77 Stat. 368; amended Nov. 8, 1965, P.L. 89–329, Title VII, sec. 701 (a), 79 Stat. 1266; amended Oct. 16, 1968, P.L. 90–575, Title IV, sec. 402, 82 Stat. 1059, 1060.

BASIC CRITERIA FOR DETERMINING PRIORITIES AND FEDERAL SHARE

Sec. 107. (a) As soon as practicable after the enactment of this Act the Commissioner shall by regulation prescribe basic criteria to which the provisions of State plans setting forth standards and methods for determining relative priorities of eligible construction projects, and the application of such standards and methods to such projects under such plans, shall be subject. Such basic criteria (1) shall be such as will best tend to achieve the objectives of this title while leaving opportunity and flexibility for the development of State plan standards and methods that will best accommodate the varied needs of institutions in the several States, (2) shall give special consideration to expansion of undergraduate enrollment capacity, and (3) shall give consideration to expansion of capacity to provide needed health care to students and institutional personnel. Subject to the foregoing requirements, such regulations may establish additional and appropriate basic criteria, including provision for considering the degree to which applicant institutions are effectively utilizing existing facilities, provision for allowing State plans to group or provide for grouping, in a reasonable manner, facilities or institutions according to functional or educational type for priority purposes, and, in view of the national objectives of this Act, provision for considering the degree to which the institution serves students from two or more States or from outside the United States; and in no event shall an institution's readiness to admit such out-of-State students be considered as a priority factor adverse to such institution.

(b) The Commissioner shall further prescribe by regulation the basic criteria for determining the Federal share of the development cost of any eligible project under this title within a State, to which criteria the applicable standards and methods set forth in the State plan for such State shall conform in the absence of a uniform statewide Federal share specified in or pursuant to such plan. In the case of a project for an institution of higher education other than a public community college or public technical institute, the Federal share shall in no event exceed 50 per centum of its development cost; and in the case of a project for a public community college or public technical institute, the Federal share in no event exceed 50 per centum of its development cost.

(c) Section 4 of the Administrative Procedure Act shall apply to the prescription of regulations under this section, not withstanding the provisions of clause (2) thereof.

(20 U.S.C. 717) Enacted Dec. 16, 1963, P.L. 88-204, Title I, sec. 107, 77 Stat. 368; amended Nov. 8, 1965, P.L. 89-329, Title VII, sec. 702(c)(2), 79 Stat. 1268; amended Oct. 16, 1968, P.L. 90-575, Title IV, sec. 402(a), 405(a), 82 Stat. 1059, 1061.

APPLICATIONS FOR GRANTS AND CONDITIONS FOR APPROVAL

SEC. 108. (a) Institutions of higher education which desire to obtain grants under this title shall submit applications therefor at such time or times and in such manner as may be prescribed by the Commissioner, and such applications shall contain such information as may be required by or pursuant to regulation for the purpose of enabling the Commissioner to make the determinations required to be made by him under this title.

(b) The Commissioner shall approve an application covering a project for construction of an academic facility and meeting the requirements prescribed pursuant to subsection (a) if—

(1) the project is an eligible project as determined under section 106;

(2) the project has been approved and recommended by the appropriate State commission;

(3) the State commission has certified to the Commissioner, in accordance with the State plan, the Federal share of the development cost of the project, and sufficient funds to pay such Federal share are available from the applicable allotment of the State (including any applicable reallotment to the State);

(4) the project has, pursuant to the State plan, been assigned a priority that is higher than that of all other projects within such State (chargeable to the same allotment) which meet all the requirements of this section (other than this clause) and for which Federal funds have not yet been reserved;

(5) the Commissioner determines that the construction will be undertaken in an economical manner and will not be of elaborate or extravagant design or materials;

(6) in the case of a project to construct an infirmary or other facility designed to provide primarily for outpatient care of students and institutional personnel, he determines that no financial assistance will be provided under title IV of the Housing Act of 1950; and

(7) the Commissioner determines that (in addition to the assurance required by section 403 and such assurance as to title to the site as he may deem necessary) the application contains or is supported by satisfactory assurances—

(A) that Federal funds received by the applicant will be used solely for defraying the development cost of the project covered by such application.

(B) that sufficient funds will be available to meet the non-Federal portion of such cost and to provide for the effective use of the academic facility upon completion, and

(C) that the facility will be used as an academic facility during at least the period of the Federal interest therein (as defined in section 404).

(c) Amendments of applications shall, except as the Commissioner may otherwise provide by or pursuant to regulations, be subject to approval in the same manner as original applications.

(20 U.S.C. 718) Enacted Dec. 16, 1963, P.L. 88–204. Title I, sec. 108, 77 Stat. 369; amended Oct. 16, 1968, P.L. 90–575, Title IV, sec. 402(a)(3), 82 Stat. 1059.

AMOUNT OF GRANT—PAYMENT

Sec. 109. Upon his approval of any application for a grant under this title, the Commissioner shall reserve from the applicable allotment (including any applicable reallotment) available therefor, the amount of such grant, which (subject to the limits of such allotment or reallotment) shall be equal to the Federal share (ascertained by him under section 108(b)(3)) of the development cost of the project covered by such application. The Commissioner shall pay such reserved amount, in advance or by way of reimbursement, and in such installments consistent with construction progress, as he may determine. The Commissioner's reservation of any amount under this section may be amended by him, either upon approval of an amendment of the application covering such project or upon revision of the estimated development cost of a project with respect to which such reservation was made, and in the event of an upward revision of such estimated cost approved by him he may reserve the Federal share of the added cost only from the applicable allotment (or reallotment) available at the time of such approval.

(20 U.S.C. 719) Enacted Dec. 16, 1963, P.L. 88–204, Title I, sec. 109, 77 Stat. 370.

ADMINISTRATION OF STATE PLANS

Sec. 110. (a) The Commissioner shall not finally disapprove any State plan submitted under this title, or any modification thereof, without first affording the State commission submitting the plan reasonable notice and opportunity for a hearing.

(b) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the State commission administering a State plan approved under this title, finds—

(1) that the State plan has been so changed that it no longer complies with the provisions of section 105(a), or

(2) that in the administration of the plan there is a failure to comply substantially with any such provision,

the Commissioner shall notify such State commission that the State will not be regarded as eligible to participate in the program under this title until he is satisfied that there is no longer any such failure to comply.

(20 U.S.C. 720) Enacted Dec. 16, 1963, P.L. 88–204, Title I, sec. 110, 77 Stat. 370.

JUDICIAL REVIEW

SEC. 111. (a) If any State is dissatisfied with the Commissioner's final action with respect to the approval of its State plan submitted under section 105(a) or with his final action under section 110(b), such State may appeal to the United States court of appeals for the circuit in which such State is located. The summons and notice of appeal may be served at any place in the United States. The Commissioner shall forthwith certify and file in the court the transcript of the proceedings and the record on which he based his action.

(b) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the transcript and record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(c) The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in title 28, United States Code, section 1254.

(20 U.S.C. 271) Enacted Dec. 16, 1963, P.L. 88–204, Title I, sec. 111, 77 Stat. 370.

Title II—Grants for Construction of Graduate Academic Facilities

APPROPRIATIONS AUTHORIZED

SEC. 201. In order to increase the supply of highly qualified personnel critically needed by the community, industry, government, research, and teaching, the Commissioner shall make construction grants to assist institutions of higher education to improve existing graduate schools and cooperative graduate centers, and to assist in the establishment of graduate schools and cooperative graduate centers of excellence. For the purpose of making grants under this title, there is hereby authorized to be appropriated the sum of $25,000,000 for the fiscal year ending June 30, 1964, the sum of

$60,000,000 for the fiscal year ending June 30, 1965, the sum of $120,000,000 for the fiscal year ending June 30, 1966, the sum of $60,000,000 for the fiscal year ending June 30, 1967, and the sum of $120,000,000 for each of the succeeding fiscal years ending prior to July 1, 1971. In addition to the sums authorized to be appropriated for each fiscal year for which an appropriation is authorized by the preceding sentence, there is hereby authorized to be appropriated for the fiscal year for making such grants the difference (if any) between any specific sums authorized to be appropriated under the preceding sentence for the preceding fiscal year and the sums which were appropriated for such preceding year under such sentence. Sums appropriated pursuant to this title for any fiscal year shall remain available for grants under this title until expended.

(20 U.S.C. 731) Enacted Dec. 16, 1963. P.L. 88–204, Title II, sec. 201, 77 Stat. 371; amended Nov. 8, 1965 P.L. 89–329; Title VII, secs. 701(c), 702(d), 79 Stat. 1267; amended Nov. 3, 1966, P.L. 89–752, sec. 4, 80 Stat. 1242; amended Oct. 16, 1968, P.L. 90–575, Title IV, sec. 401(b), 82 Stat. 1059.

GRANTS

SEC. 202. (a) Grants under this title may be made to institutions of higher education and to cooperative graduate center boards to assist them to meet the development costs for projects for construction of academic facilities for graduate schools and cooperative graduate centers. Such grants may be made only upon application therefor at such time or times, in such manner, and containing or accompanied by such information as the Commissioner finds necessary to determine eligibility for the grants and the amounts thereof.

(b) Grants under this title for construction of academic facilities may not exceed 50 per centum of the development cost of any such construction project.

(c)(1) The Commissioner shall not approve any application for a grant under this title until he has obtained the advice and recommendations of a panel of specialists who are not employees of the Federal Government and who are competent to evaluate such applications.

(2) In determining whether to approve applications for grants under this title, the order in which to approve such applications, and the amount of the grants, the Commissioner shall give consideration to the extent to which such projects will contribute to achieving the objectives of this title and also the extent to which they will aid in attaining a wider distribution throughout the United States of graduate schools and cooperative graduate centers.

(d) Notwithstanding the other provisions of this title the total of the payments from the appropriations for any fiscal year under this title made with respect to projects in any State may not exceed an amount equal to 12½ per centum of such appropriation.

(20 U.S.C. 732) Enacted Dec. 16, 1963, P.L. 88–204, Title II, sec. 202, 77 Stat. 371; amended Oct. 16, 1968, P.L. 90–575, Title II, sec. 291(b)(2), Title IV, sec. 405(b), 82 Stat. 1050, 1061.

SEC. 203. Repealed.

(20 U.S.C. 733) Enacted Dec. 16, 1963, P.L. 88–204, Title II, sec. 203, 77 Stat. 371; repealed Oct. 16, 1968, P.L. 90–575, Title II, sec. 291(b)(1), 82 Stat. 1049.

Title III—Loans for Construction of Academic Facilities

LENDING AUTHORITY

SEC. 301. The Commissioner may, in accordance with the provisions of this title, make loans to institutions of higher education or to higher education building agencies for construction of academic facilities.

(20 U.S.C. 741) Enacted Dec. 16, 1963, P.L. 88–204, Title III, sec. 301, 77 Stat. 372.

LOAN LIMIT FOR ANY STATE

SEC. 302. Not more than 12½ per centum of the funds provided for in this title in the form of loans shall be used for loans to institutions of higher education or higher education building agencies within any one State.

(20 U.S.C. 742) Enacted Dec. 16, 1963, P.L. 88–204, Title III, sec. 302, 77 Stat. 372.

ELIGIBILITY CONDITIONS, AMOUNTS, AND TERMS OF LOANS

SEC. 303. (a) No loan pursuant to this title shall be made unless the Commissioner finds (1) that not less than one-fourth of the development cost of the facility will be financed from non-Federal sources, (2) that the applicant is unable to secure the amount of such loan from other sources upon terms and conditions equally as favorable as the terms and conditions applicable to loans under this title, (3) that the construction will be undertaken in an economical manner and that it will not be of elaborate or extravagant design or materials, and (4) that, in the case of a project to construct an infirmary or other facility designed to provide primarily for outpatient care of students and institutional personnel, no financial assistance will be provided such project under title IV of the Housing Act of 1950.

(b) A loan pursuant to this title shall be secured in such manner and shall be repaid within such period not exceeding fifty years, as may be determined by the Commissioner; and shall bear interest at (1) a rate determined by the Commissioner which shall not be less than a per annum rate that is one-quarter of 1 percentage point above the average annual interest rate on all interest-bearing obligations of the United States forming a part of the public debt as computed at the end of the preceding fiscal year, adjusted to the nearest one-eighth of 1 per centum, or (2) the rate of 3 per centum per annum, whichever is the lesser.

(c) The Commissioner shall make loans to institutions of higher education for the construction of academic facilities in accordance with the provisions of this title. For the purpose of making payments into the fund established under section 305, there is hereby authorized to be appropriated the sum of $120,000,000 for the fiscal year ending June 30, 1964, and each of the two succeeding fiscal years, the sum of $200,000,000 for the fiscal year ending June 30, 1967, and the sum of $400,000,000 for each of the succeeding fiscal years ending prior to July 1, 1971. In addition to the sums authorized to be appropriated for each fiscal year for which an appropriation is authorized by the preceding sentence, there is hereby authorized to be appropriated for that fiscal year, for making such loans, the difference (if any) between any specific sums authorized to be appropriated under the preceding sentence for the preceding fiscal year and the sums which were appropriated for such preceding year under such sentence. Sums appropriated pursuant to this section for any fiscal year shall be available without fiscal-year limitations for loans under this title.

(20 U.S.C. 743) Enacted Dec. 16. 1963, P.L. 88-204, Title III, sec. 303, 77 Stat. 372; amended Nov. 8, 1965, P.L. 89-329, Title VII, secs. 702(e), 703(a), 79 Stat. 1268; amended May 24, 1966, P.L. 89-429, sec. 4(a), 80 Stat. 166; amended Nov. 3, 1966, P.L. 89-752, sec. 5, 80 Stat. 1242; amended Oct. 16, 1968, P.L. 90-575, Title IV, secs. 401(c), 402(a)(4), 82 Stat. 1059, 1060.

GENERAL PROVISION FOR LOAN PROGRAM

SEC. 304. (a) Such financial transactions of the Commissioner as the making of loans and vouchers approved by the Commissioner in connection with such financial transactions, except with respect to administrative expenses, shall be final and conclusive on all officers of the Government.

(b) In the performance of, and with respect to, the functions, powers, and duties vested in him by this title, the Commissioner may—

(1) prescribe such rules and regulations as may be necessary to carry out the purposes of this title;

(2) sue and be sued in any court of record of a State having general jurisdiction or in any district court of the United States, and such district courts shall have jurisdiction of civil actions arising under this title without regard to the amount in controversy, and any action instituted under this subsection by or against the Commissioner shall survive notwithstanding any change in the person occupying the office of Commissioner or any vacancy in such office; but no attachment, injunction, garnishment, or other similar process, mesne or final, shall be issued against the Commissioner or property under his control, and nothing herein shall be construed to except litigation arising out of activities under this title from the application of section 517, 519, and 2679 of title 28 of the United States Code;

(3) forcelose on any property or commence any action to protect or enforce any right conferred upon him by any law, contract, or other agreement, and bid for and purchase at any foreclosure or any other sale any property in connection with which he has made a loan pursuant to this title; and, in the event of any such acquisition (and notwithstanding any other provisions of law relating to the acquisition, handling, or disposal of real property by the United States), complete, administer, remodel and convert, dispose of, lease, and otherwise deal with, such property: *Provided*, That any such acquisition of real property shall not deprive any State or political subdivision thereof of its civil or criminal jurisdiction in and over such property or impair the civil rights under the State or local laws of the inhabitants on such property;

(4) sell or exchange at public or private sale, or lease, real or personal property, and sell or exchange any securities or obligations, upon such terms as he may fix;

(5) subject to the specific limitations in this title, consent to the modification, with respect to the rate of interest, time of payment

of any installment of principal or interest, security, or any other term of any contract or agreement to which he is a party or which has been transferred to him pursuant to this section; and

(6) include in any contract or instrument made pursuant to this title such other covenants, conditions, or provisions (including provisions designed to assure against use of the facility, constructed with the aid of a loan under this title, for purposes described in section 401(a) (2)) as he may deem necessary to assure that the purpose of this title will be achieved.

(20 U.S.C. 744) Enacted Dec. 16, 1963, P.L. 88-204, Title III, sec. 304, 77 Stat. 373; amended Nov. 3, 1966, P.L. 89-752, sec. 7, 80 Stat. 1243.

REVOLVING LOAN FUND

SEC. 305. (a) There is hereby created within the Treasury a separate fund for higher education academic facilities loans (hereafter in this section called "the fund") which shall be available to the Commissioner without fiscal year limitation as a revolving fund for the purposes of this title. The total of any loans made from the fund in any fiscal year shall not exceed limitations specified in appropriation Acts. A business-type budget for the fund shall be prepared, transmitted to the Congress, considered, and enacted in the manner prescribed by law (sections 102, 103, and 104 of the Government Corporation Control Act (31 U.S.C. 847-849) for wholly owned Government corporations.

(b)(1) The Commisioner, when authorized by an appropriation Act, may transfer to the fund available appropriations provided under section 303(c) to provide capital for the fund. All amounts received by the Commissioner as interest payments or repayments of principal on loans, and any other moneys, property, or assets derived by him from his operations in connection with this title, including any moneys derived directly or indirectly from the sale of assets, or beneficial interests or participations in assets, of the fund, shall be deposited in the fund.

(2) All loans, expenses, and payments pursuant to operations of the Commissioner under this title shall be paid from the fund, including (but not limited to) expenses and payments of the Commissioner in connection with sale, under section 302(c) of the Federal National Mortgage Association Charter Act, of participations in obligations acquired under this title. From time to time, and at least at the close of each fiscal year, the Commissioner shall pay from the fund into the Treasury as miscellaneous receipts interest on the cumulative amount of appropriations paid out for loans under this title or available as capital to the fund, less the average undisbursed cash balance in the fund during the year. The rate of such interest shall be determined by the Secretary of the Treasury, taking into consideration the average market yield during the month preceding each fiscal year on outstanding Treasury obligations of maturity comparable to the average maturity of loans made from the fund. Interest payments may be deferred with the approval of the Secretary of the Treasury, but any interest payments so deferred shall themselves bear interest. If at any time the Commissioner determines that moneys in the fund exceed the present and any reasonably prospective future requirements of the

fund, such excess may be transferred to the general fund of the Treasury.

(20 U.S.C. 745) Enacted May 24, 1966, P.L. 89–429, sec. 4(b), 80 Stat. 166.

ANNUAL INTEREST GRANTS

Sec. 306. (a) To assist institutions of higher education and higher education building agencies to reduce the cost of borrowing from other sources for the construction of academic facilities, the Commissioner may make annual interest grants to such institutions and agencies.

(b) Annual interest grants to an institution of higher education or higher education building agency with respect to any academic facility shall be made over a fixed period not exceeding forty years, and provision for such grants shall be embodied in a contract guaranteeing their payment over such period. Each such grant shall be in an amount not greater than the difference between (1) the average annual debt service which would be required to be paid, during the life of the loan, on the amount borrowed from other sources for the construction of such facilities, and (2) the average annual debt service which the institution would have been required to pay, during the life of the loan, with respect to such amounts if the applicable interest rate were the maximum rate specified in section 303(b): *Provided*, That the amount on which such grant is based shall be approved by the Secretary.

(c)(1) There are hereby authorized to be appropriated to the Commissioner such sums as may be necessary for the payment of annual interest grants to institutions of higher education and higher education building agencies in accordance with this section.

(2) Contracts for annual interest grants under this section shall not be entered into in an aggregate amount greater than is authorized in appropriation Acts; and in any event the total amount of annual interest grants which may be paid to institutions of higher education and higher education building agencies in any year pursuant to contracts entered into under this section shall not exceed $5,000,000 which amount shall be increased by $6,750,000 on July 1, 1969, and by $13,500,000 on July 1, 1970.

(d) Not more than 12½ per centum of the funds provided for in this section for grants may be used within any one State.

(e) No annual interest grant pursuant to this section shall be made unless the Commissioner finds (1) that not less than 10 per centum of the development cost of the facility will be financed from non-Federal sources, (2) that the applicant is unable to secure a loan in the amount of the loan with respect to which the annual interest grant is to be made, from other sources upon terms and conditions equally as favorable as the terms and conditions applicable to loans under this title, and (3) that the construction will be undertaken in an economical manner and that it will not be of elaborate or extravagant design or materials. For purposes of this section, a loan with respect to which an interest grant is made under this section shall not be considered financing from a non-Federal source. For purposes of the other provisions of this Act, such a loan shall be considered financing from a non-Federal source.

(20 U.S.C. 746) Enacted Oct. 16, 1968, P.L. 90–575, Title IV, sec. 403, 82 Stat. 1060, 1061.

Title IV—General Provisions

Definitions

Sec. 401. As used in this Act—

(a) (1) Except as provided in subparagraph (2) of this paragraph, the term "academic facilities" means structures suitable for use as classrooms, laboratories, libraries, and related facilities necessary or appropriate for instruction of students, or for research, or for administration of the educational or research programs, of an institution of higher education, and maintenance, storage, or utility facilities essential to operation of the foregoing facilities; and, for purposes of titles I and III, such term includes infirmaries or other facilities designed to provide primarily for outpatient care of students and institutional personnel. Plans for such facilities shall be in compliance with such standards as the Secretary of Health, Education, and Welfare may prescribe or approve in order to insure that facilities constructed with the use of Federal funds under this Act shall be, to the extent appropriate in view of the uses to be made of the facilities, accessible to and usable by handicapped persons.

(2) The term "academic facilities" shall not include (A) any facility intended primarily for events for which admission is to be charged to the general public, or (B) any gymnasium or other facility specially designed for athletic or recreational activities, other than for an academic course in physical education or where the Commissioner finds that the physical integration of such facilities with other academic facilities included under this Act is required to carry out the objectives of this Act, or (C) any facility used or to be used for sectarian instruction or as a place for religious worship, or (D) any facility which (although not a facility described in the preceding clause) is used or to be used primarily in connection with any part of the program of a school or department of divinity, or (E) any facility used or to be used by a school of medicine, school of dentistry, school of osteopathy, school of pharmacy, school of optometry, school of podiatry, or school of public health as these terms are defined in section 724 of the Public Health Service Act, or a school of nursing as defined in section 843 of that Act. For the purposes of this subparagraph, the term "school or department of divinity" means an institution, or a department or branch of an institution, whose program is specifically for the education of students to prepare them to become ministers of religion or to enter upon some other religious vocation or to prepare them to teach theological subjects.

(b) (1) The term "construction" means (A) erection of new or expansion of existing structures, and the acquisition and installation of initial equipment therefor; or (B) acquisition of existing structures not owned by the institution involved; or (C) rehabilitation, alteration, conversion, or improvement (including the acquisition and installation of initial equipment, or modernization or replacement of built-in equipment) of existing structures; or (D) a combination of any two or more of the foregoing.

(2) The term "equipment" includes, in addition to machinery, utilities, and built-in equipment and any necessary enclosures or structures to house them, all other items necessary for the functioning

of a particular facility as an academic facility, including necessary furniture, except books, curricular and program materials, and items of current operating expense such as fuel, supplies, and the like; the term "initial equipment" means equipment acquired and installed in connection with construction as defined in paragraph (1) (A) or (B) of this subsection or, in cases referred to in paragraph (1) (C), equipment acquired and installed as part of the rehabilitation, alteration, conversion, or improvement of an existing structure which structure would otherwise not be adequate for use as an academic facility; and the terms "equipment", "initial equipment", and "built-in equipment" shall be more particularly defined by the Commissioner by regulation.

(c) (1) The term "development cost", with respect to an academic facility, means the amount found by the Commissioner to be the cost to the applicant for a grant or loan under this Act, of the construction involved and the cost of necessary acquisition of the land on which the facility is located and of necessary site improvements to permit its use for such facility, but excluding any cost incurred before, or under a contract entered into before, the enactment of this Act. There shall further be excluded from the development cost—

(A) in determining the amount of any grant under title I or II of this Act, an amount equal to the sum of (i) any Federal grant which the institution has obtained, or is assured of obtaining, under any law other than this Act, with respect to the construction that is to be financed with the aid of a grant under title I or II of this Act, and (ii) the amount of any non-Federal funds required to be expended as a condition of such other Federal grant; and

(B) in determining the amount of any loan under title III of this Act, an amount equal to the amount of any Federal financial assistance which the institution has obtained, or is assured of obtaining, under any law other than this Act, with respect to the construction that is to be financed with the aid of a loan under title III of this Act.

(2) In determining the development cost with respect to an academic facility, the Commissioner may include expenditures for works of art for the facility of not to exceed 1 per centum of the total cost (including such expenditures) to the applicant of construction of, and land acquisition and site improvements for, such facility.

(d) The term "Federal share" means, in the case of a project for an institution of higher education other than a public community college or public technical institute, a percentage (as determined under the applicable State plan) not in excess of 50 per centum of its development cost; and such term means, in the case of a public community college or public technical institute, a percentage (as determined under the applicable State plan) not in excess of 50 per centum of its development cost.

(e) The term "higher education building agency" means (1) an agency, public authority, or other instrumentality of a State authorized to provide, or finance the construction of, academic facilities for institutions of higher education (whether or not also authorized to provide or finance other facilities for such or other educational institutions, or for their students or faculty), or (2) any corporation (no part of the net earnings of which inures or may lawfully inure to the benefit of any private shareholder or individual) (A) established by an institution of higher education for the sole purpose of providing academic facilities for the use of such institution, and (B) upon dissolution of which all title to any property purchased or built from the proceeds of any loan made under title III of this Act will pass to such institution.

(f) The term "institution of higher education" means an educational institution in any State which—

(1) admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of such a certificate;

(2) is legally authorized within such State to provide a program of education beyond high school;

(3) provides an educational program for which it awards a bachelor's degree, or provides not less than a two-year program which is acceptable for full credit toward such a degree, or offers a two-year program in engineering, mathematics, or the physical or biological sciences which is designed to prepare the student to work as a technician and at a semiprofessional level in engineering, scientific, or other technological fields which require the understanding and application of basic engineering, scientific, or mathematical principles or knowledge;

(4) is a public or other nonprofit institution; and

(5) is accredited by a national recognized accrediting agency or association listed by the Commissioner pursuant to this paragraph or, if not so accredited, is an institution whose credits are accepted, on transfer, by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited: *Provided, however*, That in the case of an institution offering a two-year program in engineering, mathematics, or the physical or biological sciences which is designed to prepare the student to work as a technician and at a semiprofessional level in engineering, scientific, or technological fields which require the understanding and application of basic engineering, scientific or mathematical principles or knowledge, if the Commissioner determines there is no nationally recognized accrediting agency or association qualified to accredit such institutions, he shall, under section 402(c), appoint an advisory committee, composed of persons specially qualified to evaluate training provided by such institutions, which shall prescribe the standards of content, scope, and quality which must be met in order to qualify such institutions for assistance under this Act and shall also determine whether particular institutions meet such standards: *Provided, however*, That the requirements of this clause (5) shall be deemed to be satisfied in the case of an institution applying for assistance under this Act, if the Commissioner determines that there is satisfactory assurance that upon completion of the project for which such assistance is requested, or upon completion of the project and others under construction or planned and to be commenced within a reasonable time, the institution will meet such requirements; and for the purpose of this

paragraph the Commissioner shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of education or training offered.

(g) The term "public community college and public technical institute" means an institution of higher education which is under public supervision and control and is organized and administered principally to provide a two-year program which is acceptable for full credit toward a bachelor's degree or a two-year program in engineering, mathematics, or the physical or biological sciences which is designed to prepare the student to work as a technician and at a semiprofessional level in engineering, scientific, or other technological fields which require the understanding and application of basic engineering, scientific, or mathematical principles or knowledge, and, if a branch of an institution of higher education offering four or more years of higher education, is located in a community different from that in which its parent institution is located.

(h) The term "cooperative graduate center" means an institution or program created by two or more institutions of higher education which will offer to the students of the participating institutions of higher education graduate work which could not be offered with the same proficiency and/or economy at the individual institution of higher education. The center may be located or the program carried out on the campus of any of the participating institutions or at a separate location.

(i) The term "cooperative graduate center board" means a duly constituted board established to construct and maintain the cooperative graduate center and coordinate academic programs. The board shall be composed of representatives of each of the higher education institutions participating in the center and of the community involved. At least one-third of the board's members shall be community representatives. The board shall elect by a majority vote a chairman from among its membership.

(j) The term "high school" does not include any grade beyond grade 12.

(k) The term "nonprofit educational institution" means an educational institution owned and operated by one or more corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(l) The term "public educational institution" does not include a school or institution of any agency of the United States.

(m) The term "State" includes, in addition to the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, and American Samoa.

(20 U.S.C. 751) Enacted Dec. 16, 1963, P.L. 88–204, Title IV, sec. 401, 79 Stat. 374; amended Nov. 8, 1965, P.L. 89–329, Title VII, sec. 702(c)(3), (f), 79 Stat. 1268; amended Nov. 3, 1966, P.L. 89–752, secs. 6, 8, 80 Stat. 1243; amended Oct. 16, 1968, P.L. 90–575, Title IV, sec. 402(a)(5), 82 Stat. 1060, 1061.

SEC. 402. Repealed.

(20 U.S.C. 752). Enacted Dec. 16, 1963, P.L. 88–204, Title IV, sec. 402, 77 Stat. 377; repealed Apr. 13, 1970, P.L. 91–230, Title IV, sec. 401 (c) and (h), 84 Stat. 173, 174.

LABOR STANDARDS

SEC. 403. (a) The Commissioner shall not approve any application for a grant or loan under this Act except upon adequate assurance that all laborers and mechanics employed by contractors or subcontractors in the performance of work on construction assisted by such grant or loan will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a–276a–5), and will receive overtime compensation in accordance with and subject to the provisions of the Contract Work Hours Standards Act (Public Law 87–581); but, in the case of any nonprofit educational institution, the Commissioner may waive the application of this subsection in cases or classes of cases where laborers or mechanics, not otherwise employed at any time in the construction of the project, voluntarily donate their services for the purpose of lowering the costs of construction and the Commissioner determines that any amounts saved thereby are fully credited to the educational institution undertaking the construction.

(b) The Secretary of Labor shall have, with respect to the labor standards specified in subsection (a) of this section, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267), and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

(20 U.S.C. 753) Enacted Dec. 16, 1963, P.L. 88–204, Title IV, sec. 403, 77 Stat. 378.

RECOVERY OF PAYMENTS

SEC. 404. (a) The Congress hereby finds and declares that, if a facility constructed with the aid of a grant or grants under title I or II of this Act is used as an academic facility for twenty years following completion of such construction, the public benefit accruing to the United States from such use will equal or exceed in value the amount of such grant or grants. The period of twenty years after completion of such construction shall therefore be deemed to be period of Federal interest in such facility for the purposes of this Act.

(b) If, within twenty years after completion of construction of an academic facility which has been constructed in part with a grant or grants under title I or II of this Act—

(1) the applicant (or its successor in title or possession) ceases or fails to be a public or nonprofit institution, or

(2) the facility ceases to be used as an academic facility, or the facility is used as a facility excluded from the term "academic facility" by section 401(a)(2),

the United States shall be entitled to recover from such applicant (or successor) an amount which bears to the then value of the facility (or so much thereof as constituted an approved project or projects) the same ratio as the amount of such Federal grant or grants bore to the development cost of the facility financed with the aid of such grant or grants. Such value shall be determined by agreement of the parties or by action brought in the United States district court for the district in which such facility is situated.

(20 U.S.C. 754) Enacted Dec. 16, 1963, P.L. 88–204, Title IV, sec. 404, 77 Stat. 378.

METHOD OF PAYMENT

SEC. 405. Payments under this Act to any State or Federal agency, institution of higher education, or any other organization, pursuant to a grant or loan, may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

(20 U.S.C. 755) Enacted Dec. 16, 1963, P.L. 88-204, Title IV, sec. 405, 77 Stat. 378.

ADMINISTRATIVE APPROPRIATIONS AUTHORIZED

SEC. 406. There are hereby authorized to be appropriated for the fiscal year ending June 30, 1964, and for each fiscal year thereafter, such sums as may be necessary for the cost of administering the provisions of this Act.

(20 U.S.C. 756) Enacted Dec. 16, 1963, P.L. 88-204, Title IV, sec. 406, 77 Stat. 379.

HIGHER EDUCATION FACILITIES CONSTRUCTION ASSISTANCE IN MAJOR DISASTER AREAS

SEC. 408. (a) If the Director of the Office of Emergency Preparedness determines that a public institution of higher education is located in whole or in part within an area which, before July 1, 1971, has suffered a disaster which is a "major disaster" as defined in section 2(a) of the Act of September 30, 1950 (42 U.S.C. 1855a(a)), and if the Commissioner determines with respect to such public institution of higher education that—

(1) the academic facilities of the institution have been destroyed or seriously damaged as a result of the disaster;

(2) the institution is exercising due diligence in availing itself of State and other financial assistance available for the restoration or replacement of the facilities; and

(3) the institution does not have sufficient funds available to it from other sources, including the proceeds of insurance on the facilities, to provide for the restoration or replacement of the academic facilities so destroyed or seriously damaged,

the Commissioner may provide the additional assistance necessary to enable the institution to carry out construction necessary to restore or replace the facilities, upon such terms and in such amounts (subject to the provisions of this section) but not to exceed one-half of the costs of such restoration or replacement, as the Commissioner may consider to be in the public interest; but such additional assistance, plus the amount which he determines to be available to the institution from other sources, including the proceeds of insurance on the facilities, may not exceed the cost of construction incident to the restoration or replacement of the academic facilities destroyed or seriously damaged as a result of the disaster.

(b) In addition to and apart from the assistance provided to a public institution of higher education under subsection (a), the Commissioner may provide funds to such institution in an amount which he considers necessary to replace equipment, maintenance supplies, and instructional supplies (including books, and curricular and program materials) destroyed or seriously damaged as a result of the disaster, or to lease or otherwise provide (other than by acquisition of land or construction of academic facilities) such facilities needed to replace temporarily those academic facilities which have been made unavailable as a result of the disaster, or both.

(c) In any case deemed appropriate by the Commissioner, disaster assistance provided under subsection (a) or (b) may be in the form of a repayable advance subject to such terms and conditions as he considers to be in the public interest.

(d) There are hereby authorized to be appropriated for each fiscal year such amounts as may be necessary to carry out the provisions of this section.

(e) No payment may be made to a public institution of higher education for academic facilities under subsection (a) or for assistance under subsection (b) unless an application therefor is submitted through the appropriate State commission and is filed with the Commissioner in accordance with regulations prescribed by him. In determining the order in which such applications shall be approved, the Commissioner shall consider the relative educational and financial needs of the institutions which have submitted approvable applications. No payment may be made under subsection (a) unless the Commissioner finds, after consultation with the State commission, that the project or projects with respect to which it is made are not inconsistent with overall State plans, submitted under section 105(a), for the construction of academic facilities. All determinations made by the Commissioner under this section shall be made only after consultation with the appropriate State commission.

(f) Amounts paid by the Commissioner to a public institution of higher education under subsection (a) or (b) may be paid in advance or by way of reimbursement and in such installments as the Commissioner may determine. Any funds paid to an institution which are not expended or otherwise used for the purposes for which paid shall be repaid to the Treasury of the United States.

(g) For the purposes of this section an institution of higher education is deemed to be a "public institution of higher education" if the institution is under public supervision and control.

(20 U.S.C. 758) Enacted Nov. 6, 1966, P.L. 89-769, sec. 7(a), 80 Stat. 1318; amended May 29, 1967, P.L. 90-21, Title I, sec. 101, 81 Stat. 36; amended Oct. 16, 1968, P.L. 90-575, Title IV, sec. 404, 82 Stat. 1061.

LEGISLATIVE HISTORY

(P.L. 88-204)

House Report No. 310 (Committee on Education and Labor) and No. 884 (committee of conference).

Senate Report No. 557 (Committee on Labor and Public Welfare).

Congressional Record, 1963:

August 14: Passed House.
October 21: Passed Senate.
November 6: House agreed to conference report.
December 10: Senate agreed to conference report.

Approved: December 16, 1963.

(P.L. 89-329)

House Reports: No. 621 (Committee on Education and Labor) and No. 1178 (committee of conference).

Senate Report No. 673 (Committee on Labor and Public Welfare).
Congressional Record, volume 111 (1965):
August 26: Considered and passed House.
September 1: Considered in Senate.
September 2: Considered and passed Senate, amended.
October 20: House and Senate agreed to conference report.
Approved: November 8, 1965.

(P.L. 89–429)

House Report No. 1448 accompanying H.R. 14544 (Committee on Banking a Currency).
Senate Report No. 1140 (Committee on Banking and Currency).
Congressional Record, volume 112 (1966):
May 3: Considered in Senate.
May 5: Considered and passed Senate.
May 16, 17: H.R. 14544 considered in House.
May 18: Considered and passed House, amended, in lieu of H.R. 14544
May 19: Senate considered motion to concur in House amendment.
May 23: Senate concurred in House amendment.
Approved: May 24, 1966.

(P.L. 89–752)

House Reports: No. 1467 (Committee on Education and Labor) and No. 2326 (committee of conference).
Senate Report No. 1677 (Committee on Labor and Public Welfare).
Congresional Record, volume 112 (1966):
May 22: Considered and passed House.
October 7: Considered in Senate.
October 10: Considered and passed Senate, amended.
October 21: House and Senate agreed to conference report.
Approved: November 3, 1966.

(P.L. 89–769)

House Report No. 2141 (Committee on Public Works).
Senate Report No. 459 (Committee on Public Works).
Congressional Record:
Volume 111 (1965): July 22, considered and passed Senate.
Volume 112 (1966): October 17, considered and passed House, amended October 18, Senate concurred in House amendment.
Approved: November 6, 1966.

(P.L. 90–575)

House Reports: No. 1649 accompanying H.R. 15067 (Committee on Education and Labor) and No. 2326 (committee of conference).
Senate Report No. 1387 (Committee on Labor and Public Welfare).
Congressional Record, volume 114 (1968):
July 15: Considered and passed Senate.
July 24, 25: Considered and passed House, amended, in lieu of H.R. 15067.
September 26: House agreed to conference report.
October 1: Senate agreed to conference report.
Approved: October 16, 1968.

(P.L. 91–230)

House Reports: No. 91–114 (Committee on Education and Labor) and No. 91–937 (committee of conference).
Senate Report No. 91–634 (Committee on Labor and Public Welfare).
Congressional Record:
Volume 115 (1969); April 23, considered and passed House.
Volume 116 (1970):
February 4–6, 9, 10 16–18, considered in Senate.
February 19, considered and passed Senate, amended.
March 24, 25, Senate considered conference report.
April 1, Senate agreed to conference report.
April 7, House agreed to conference report.
Approved: April 13, 1970.

National Defense Education Act of 1958

(P.L. 85–864)

AN ACT To strengthen the national defense and to encourage and assist in the expansion and improvement of educational programs to meet critical national needs; and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act, divided into titles and sections according to the following table of contents, may be cited as the "National Defense Education Act of 1958".

* * * * * * *

Title I—General Provisions

FINDINGS AND DECLARATION OF POLICY

SEC. 101. The Congress hereby finds and declares that the security of the Nation requires the fullest development of the mental resources and technical skills of its young men and women. The present emergency demands that additional and more adequate educational opportunities be made available. The defense of this Nation depends upon the mastery of modern techniques developed from complex scientific principles. It depends as well upon the discovery and development of new principles, new techniques, and new knowledge.

We must increase our efforts to identify and educate more of the talent of our Nation. This requires programs that will give assurance that no student of ability will be denied an opportunity for higher education because of financial need; will correct as rapidly as possible the existing imbalances in our educational programs.

The Congress reaffirms the principle and declares that the States and local communities have and must retain control over and primary responsibility for public education. The national interest requires, however, that the Federal Government give assistance to education for programs, which are important to our defense.

To meet the present educational emergency requires additional effort at all levels of government. It is therefore the purpose of this Act to provide substantial assistance in various forms to individuals, and to States and their subdivisions, in order to insure trained manpower of sufficient quality and quantity to meet the national defense needs of the United States.

(20 U.S.C. 401) Enacted Sept. 2, 1958, P.L. 85–864, Title I, sec. 101, 72 Stat. 1581; amended Oct. 16, 1964, P.L. 88–665, Title I, sec. 101, 78 Stat. 100.

SEC. 102. Repealed.

(20 U.S.C. 402) Enacted Sept. 2, 1958, P.L. 85–864, Title I, sec. 102, 72 Stat. 1582; repealed April 13, 1971, P.L. 91–230, Title IV, sec. 401(b)(2) and replaced by sec. 422 of P.L. 90–247, as required by sec. 401(a)(10) of P.L. 91–230 (20 U.S.C. 1232a).

DEFINITIONS

SEC. 103. As used in this Act—

(a) The term "State" means a State, Puerto Rico, the District of Columbia, the Canal Zone, Guam, American Samoa, the Virgin Islands and, for the purposes of titles II, III, and V, the Trust Territory of the Pacific Islands, except that as used in sections 302 and 502, such term does not include Puerto Rico, the Canal Zone, Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands.

(b) The term "institution of higher education" means an educational institution in any State which (1) admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such certificate, (2) is legally authorized within such State to provide a program of education beyond secondary education, (3) provides an educational program for which it awards a bachelor's degree or provides not less than a two-year program which is acceptable for full credit toward such a degree, (4) is a public or other nonprofit institution, and (5) is accredited by a nationally recognized accrediting agency or association approved by the Commissioner for this purpose or, if not so accredited, (A) is an institution with respect to which the Commissioner has determined that there is satisfactory assurance, considering the resources available to the institution, the period of time, if any during which it has operated, the effort it is making to meet accreditation standards, and the purpose for which this determination is being made, that the institution will meet the accreditation standards of such an agency or association within a reasonable time, or (B) is an institution whose credits are accepted on transfer by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited. For purposes of title II, such term includes any school of nursing as defined in subsection (1) of this section; and proprietary institution of higher education (as defined in section 461(b) of the Higher Education Act of 1965) which includes in its agreement under section 204 of such title such terms and conditions as the Commissioner determines to be necessary to insure that the availability of assistance to students at the school under such title has not, and will not, increase the tuition, fees, or other charges to such students: and any school which provides not less than a one-year program of training to prepare students for gainful employment in a recognized occupation and which meets the provisions of clauses (1), (2), (4), and (5). If the Commissioner determines that a particular category of such schools does not meet the requirements of clause (5) (but meets the requirements of clause (4)) because there is no nationally recognized accrediting agency or association qualified to accredit schools in such category, he shall, pending the establishment of such an accrediting agency or association, appoint an advisory committee, composed of persons specially qualified to evaluate training provided by schools in such category, which shall (i) prescribe the standards of content, scope, and quality which must be met in order to qualify schools in such category to participate in the student loan program under title II, and (ii) determine whether particular schools not meeting the requirements of clause (5) meet those standards. For purposes of this subsection, the Commissioner shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as the quality of training offered.

(c) The term "Commissioner" means the Commissioner of Education.

(d) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(e) The term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the governor or by State law.

(f) The term "school-age population" means that parts of the population which is between the ages of five and seventeen, both inclusive, and such school-age population for the several States shall be determined by the Commissioner on the basis of the population between such ages for the most recent year for which satisfactory data are available from the Department of Commerce.

(g) The term "elementary school" means a school which provides elementary education, as determined under State law or if such school is not in any State, as determined by the Commissioner.

(h) The term "secondary school" means a school which provides secondary education, as determined under State law or, if such school is not in any State, as determined by the Commissioner, except that it does not include any education provided beyond grade 12. For the purposes of sections 301 through 304, the term "secondary school" may include a public junior college, as determined under State law or, if such school is and not in any State, as determined by the Commissioner.

(i) The term "public" as applied to any school or institution includes a school or institution of any agency of the United States, except that no such school or institution shall be eligible to receive any grant, loan, or other payment under this Act.

(j) The term "nonprofit", as applied to a school or institution, means a school or institution owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual, and, for the purposes of part A of title V, includes a school of any agency of the United States.

(k) The term "local educational agency" means a board of education or other legally constituted local school authority having administrative control and direction of public elementary or secondary schools in a city, county, township, school district, or political subdivision in a State, or any other public institution or agency having administrative control and direct of a public elementary or secondary school.

(l) The term "school of nursing" means a public or other nonprofit collegiate or associate degree school of nursing.

(m) The term "collegiate school of nursing" means a department, division, or other administrative unit in a college or university which provides primarily or exclusively an accredited program of education in professional nursing and allied subjects leading to the degree of bachelor of arts, bachelor of science, bachelor of nursing, or to an equivalent degree, or to a graduate degree in nursing.

(n) The term "associate degree school of nursing" means a department, division, or other administrative unit in a junior college, community college, college, or university which provides primarily or exclusively an accredited two-year program of education in professional nursing and allied subjects leading to an associate degree in nursing or to an equivalent degree.

(o) The term "accredited" when applied to any program of nurse education means a program accredited by a recognized body or bodies approved for such purpose by the Commissioner of Education.

(20 U.S.C. 403) Enacted Sept. 2, 1958, P.L. 85–864, Title I, sec. 103, 72 Stat. 1582; amended June 25, 1959, P.L. 86–70, sec. 18(a)(1), 73 Stat. 144; amended July 12, 1960, P.L. 86–624, sec. 14(a)(1), 74 Stat. 413; amended Dec. 18, 1963, P.L. 88–210, sec. 21, 77 Stat. 415: amended Oct. 16, 1964, P.L. 88–665, Title I, secs. 102, 103, 78 Stat. 1100; amended Nov. 8, 1965, P.L. 89–329, Title IV, sec. 461, 79 Stat. 1251: amended Nov. 3, 1966, P.L. 89–752, sec. 16(b), 80 Stat. 1245; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 174, 82 Stat. 1035.

Title II—Loans to Students in Institutions of Higher Education

APPROPRIATIONS AUTHORIZED

SEC. 201. For the purpose of enabling the Commissioner to stimulate and assist in the establishment at institutions of higher education of funds for the making of low-interest loans to students in need thereof to pursue their courses of study in such institutions, there are hereby authorized to be appropriated $47,500,000 for the fiscal year ending June 30, 1959, $75,000,000 for the fiscal year ending June 30, 1960, $82,500,000 for the fiscal year ending June 30, 1961, $90,000,000 each for the fiscal year ending June 30, 1962, and the next fiscal year, $125,000,000 for the fiscal year ending June 30, 1964, $163,300,000 for the fiscal year ending June 30, 1965, $179,300,000 for the fiscal year ending June 30, 1966, $190,000,000 for the fiscal year ending June 30, 1967, $225,000,000 for the fiscal year ending June 30, 1968, $210,000,000 for the fiscal year ending June 30, 1969, $325,000,000 for the fiscal year ending June 30, 1970, and $375,000,000 for the fiscal year ending June 30, 1971, and there are further authorized to be appropriated such sums for the fiscal year ending June 30, 1972, and each of the next three fiscal years as may be necessary to enable students who have received loans for school years ending prior to July 1, 1971, to continue or complete their education. Sums appropriated under this section for any fiscal year shall be available, in accordance with agreements between the Commissioner and institutions of higher education, for payment of Federal capital contributions which, together with contributions from the institutions, shall be used for establishment and maintenance of student loan funds.

(20 U.S.C. 421) Enacted Sept. 2, 1958, P.L. 85–864, Title II, sec. 201, 72 Stat. 1583; amended Oct. 3, 1961, P.L. 87–344, Title II, sec. 201(a), 75 Stat. 759;

amended Dec. 18, 1963. P.L. 88-210, sec. 22(a), 77 Stat. 415; amended Oct. 16, 1964, P.L. 88-665, 78 Stat. 1100; amended Nov. 3, 1966, P.L. 89-752, sec. 15, 80 Stat. 1245; amended Oct. 16, 1968, P.L. 90-575, Title I, sec. 171, 82 Stat. 1034.

ALLOTMENTS TO STATES

Sec. 202. (a) From the sums appropriated pursuant to section 201 for any fiscal year ending prior to July 1, 1971, the Commissioner shall allot to each State an amount which bears the same ratio to the amount so appropriated as the number of persons enrolled on a full-time basis in institutions of higher education in such State bears to the total number of persons enrolled on a full-time basis in institutions of higher education in all of the States. The number of persons enrolled on a full-time basis in institutions of higher education for purposes of this section shall be determined by the Commissioner for the most recent year for which satisfactory data are available to him.

(b) Sums appropriated pursuant to section 201 for any fiscal year ending after June 30, 1971, shall be allotted among the States in such manner as the Commissioner determines to be necessary to carry out the purpose for which such amounts are appropriated.

(20 U.S.C. 422) Enacted Sept. 2, 1958, P.L. 85-864, Title II, sec. 202, 72 Stat. 1583; amended Oct. 3, 1961, P.L. 87-344, Title II, sec. 201(b), 75 Stat. 759; amended Dec. 18, 1963, P.L. 88-210, sec. 22(b), 77 Stat. 416; amended Oct. 16, 1964, P.L. 88-665, Title II, sec. 202, 78 Stat. 1101; amended Oct. 16, 1968, P.L. 90-575, Title I, sec. 171, 82 Stat. 1034.

PAYMENTS OF FEDERAL CAPITAL CONTRIBUTIONS

Sec. 203. The Commissioner shall from time to time set dates by which institutions of higher education in a State must file applications for Federal capital contributions from the allotment of such State. In the event the total requested in such applications, which are made by institutions with which he has agreements under this title and which meet the requirements established in regulations of the Commissioner, exceeds the amount of the allotment of such State available for such purposes, the Federal capital contribution from such allotment to each such institution shall bear the same ratio to the amount requested in its application as the amount of such allotment available for such purposes bears to the total requested in all such applications. In the event the total requested in such applications which are made by institutions in a State is less than the amount of the allotment of such State, available for such purpose, the Commissioner may reallot the remaining amount from time to time on such date or dates as the Commissioner may fix, to other States in proportion to the original allotments to such States under section 202 for such year. The Federal capital contribution to an institution shall be paid to it from time to time in such installments as the Commissioner determines will not result in unnecessary accumulations in the student loan fund established under its agreement under this title. The aggregate amount of Federal capital contributions paid for any fiscal year under this section to proprietary institutions of higher education (as defined in section 461(b) of the Higher Education Act of 1965) may not exceed the amount by which the funds appropriated pursuant to section 201 for such fiscal year exceed $190,000,000.

(20 U.S.C. 423) Enacted Sept. 2, 1958, P.L. 85-864, Title II, sec. 203, 72 Stat. 1584; amended Dec. 18, 1963, P.L. 88-210, sec. 22(c), 77 Stat. 416; amended Oct. 16, 1964, P.L. 88-665, Title II, sec. 203, 78 Stat. 1101; amended Oct. 16, 1968, P.L. 90-575, Title I, sec. 174, 82 Stat. 1035.

CONDITIONS OF AGREEMENTS

Sec. 204. (a) An agreement with any institution of higher education for Federal capital contributions by the Commissioner under this title shall—

(1) provide for establishment of a student loan fund by such institution;

(2) provide for deposit in such fund of (A) the Federal capital contributions, (B) an amount, equal to not less than one-ninth of such Federal contributions, contributed by such institution, (C) collections of principal and interest on student loans made from such fund, (D) charges collected pursuant to section 205(c), and (E) any other earnings of the fund;

(3) provide that such student loan fund shall be used only for (A) loans to students in accordance with such agreement, (B) capital distributions as provided in this title, (C) administrative expenses as provided in subsection (b), and (D) costs of litigation, and other collection costs agreed to by the Commissioner, arising in connection with the collection of any loan from the fund, interest on such loan, or charge assessed with respect to that loan pursuant to section 205(c); and

(4) include such other provisions as may be necessary to protect the financial interest of the United States and promote the purposes of this title and as are agreed to by the Commissioner and the institution.

(b) An institution of higher education that has entered into an agreement with the Commissioner under this section shall be entitled for each fiscal year during which it makes any student loans from a student loan (fund established under this title to a payment in lieu of reimbursement for its expenses during such fiscal year in administering its student loan program assisted under this title. Such payment (1) shall be payable from its student loan fund in accordance with regulations of the Commissioner, and (2) (except as provided in section 463(b) of the Higher Education Act of 1965) shall be an amount equal to 3 per centum of the principal amount of loans made from such fund during a fiscal year.

(20 U.S.C. 424) Enacted Sept. 2, 1958, P.L. 85-864, Title II, sec. 204, 72 Stat. 1584; amended Oct. 16, 1964, P.L. 88-665, Title II, sec. 204(a), 78 Stat. 1101; amended Nov. 8, 1965, P.L. 89-239, Title IV, secs. 462, 466(b), 79 Stat. 1252, 1254; amended Oct. 16, 1968, P.L. 90-575, Title I, secs. 172, 175, 82 Stat. 1034-1035.

TERMS OF LOANS

Sec. 205. (a) The total of the loans for any academic year or its equivalent, as determined under regulations of the Commissioner, made by institutions of higher education from loan funds established pursuant to agreements under this title may not exceed $2,500 in the case of any graduate or professional student (as defined in regulations of the Commissioner), and may not exceed $1,000 in the case of any other student. The aggregate of the loans for all years from such funds may not exceed $10,000 in the case of any graduate or professional student (as so defined, and including any loans from such funds made to such person before he became a graduate or professional student), or $5,000 in the case of any other student.

(b) Loans from any such loan fund to any student by any institution of higher education shall be made on such terms and conditions as the institution may determine; subject, however, to such conditions, limitations, and requirements as Commissioner may prescribe (by regulation or in the agreement with the institution) with a view to preventing impairment of the capital of the student loan fund to the maximum extent practicable in the light of the objective of enabling the student to complete his course of study; and except that—

(1) Such a loan shall be made only to a student who (A) is in need of the amount of the loan to pursue a course of study at such institution, and (B) is capable, in the opinion of the institution, of maintaining good standing in such course of study, and (C) has been accepted for enrollment as a student in such institution or, in the case of a student already attending such institution, is in good standing there either as an undergraduate, graduate, or professional student, and (D) is carrying at least one-half the normal full-time academic workload as determined by the institution;

(2) such a loan shall be evidenced by a note or other written agreement which provides for repayment of the principal amount, together with interest thereon in equal installments (or if the borrower so requests in graduated periodic installments determined in accordance with such schedules as may be approved by the Commissioner) payable quarterly, bimonthly or monthly (at the option of the institution) over a period beginning nine months after the date on which the borrower ceases to carry at an institution of higher education or at a comparable institution outside the States approved for this purpose by the Commissioner at least one-half the normal full-time academic workload as determined by that institution and ending ten years and nine months after such date except that (A) interest shall not accrue on any such loan and installments need not be paid during any period (i) during which the borrower is carrying, at an institution of higher education or at a comparable institution outside the States approved for this purpose by the Commissioner, at least one-half the normal full-time academic workload as determined by the institution, (ii) not in excess of the three years, during which the borrower is a member of the Armed Forces of the United States, (iii) not in excess of three years during which the borrower is in service as a volunteer under the Peace Corps Act or (iv) not in excess of three years during which the borrower is in service as a volunteer under Title VIII of the Economic Opportunity Act of 1964: *Provided*, That this clause shall apply to any loan outstanding on the effective date of the Peace Corps Act only with the consent of the then obligee institutions, (B) any such period shall not be included in determining the ten-year period during which the repayment must be completed, (C) such ten-year period

may also be extended for good cause determined in accordance with the regulations of the Commissioner, (D) the institution may provide that installments need not be paid during any period or periods, aggregating not in excess of three years, during which the borrower is in less than half-time attendance at an institution of higher education taking courses which are creditable toward a degree, and may also provide that any such period shall not be included in determining the ten-year period during which the repayment must be completed, but interest shall continue to accrue during any such period, (E) the borrower may at his option accelerate repayment of the whole or any part of such loan, and (F) the institution may provide, in accordance with regulations of the Commissioner, that during the repayment period of the loan payments of principal and interest by the borrower with respect to all the outstanding loans made to him from loan funds established pursuant to this title shall be at a rate equal to not less than $15 per month.

(3) not to exceed 50 per centum of any such loan (plus interest) (A) shall be canceled for services as a full-time time teacher in a public or other nonprofit elementary or secondary school in a State, in an institution of higher education, or in an elementary or secondary school overseas of the Armed Forces of the United States, at the rate of 10 per centum of the total amount of such loan plus interest thereon for each complete academic year or its equivalent (as determined under regulations of the Commissioner) of such service, except that (i) such rate shall be 15 per centum for each complete academic year or its equivalent (as determined under regulations of the Commissioner) of service as a full-time teacher in a public or other nonprofit elementary or secondary school which is in the school district of a local educational agency which is eligible in such year for assistance pursuant to title II of Public Law 874, Eighty-first Congress, as amended, and which for purposes of this clause and for that year has been determined by the Commissioner, pursuant to regulations and after consultation with the State educational agency of the State in which the school is located, to be a school in which there is a high concentration of students from low-income families, except that (unless all of the schools so determined are schools in which the enrollment of children described in clause (i), (ii), or (iii) of section 103(a)(2) of such Public Law (using a low-income factor of $3,000) exceeds 50 per centum of the total enrollment of the school) the Commissioner shall not make such determination with respect to more than 25 per centum of the total of the public and other nonprofit elementary and secondary schools in any one State for any one year, (ii) such rate shall be 15 per centum for each complete academic year or its equivalent (as so determined by regulations) of service as a full-time teacher of handicapped children (including mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed or other health impaired children who by reason thereof require special education) in a public or other nonprofit elementary or secondary school system, and (iii) for the

purposes of any cancellation pursuant to clause (i) or (ii), an additional 50 per centum of any such loan (plus interest) may be canceled but nothing in this paragraph shall authorize refunding any payment and (B) shall be canceled for service after June 30, 1970, as a member of the Armed Forces[1] of the United States at the rate of 12½ per centum of the total amount of such loan plus interest thereon for each year of consecutive service;

(4) such a loan shall bear interest, on the unpaid balance of the loan, at the rate of 3 per centum per annum except that no interest shall accrue before the date on which repayment of the loan is to begin in all cases except where the date on which repayment is to begin is suspended by reason of clause (D) of paragraph (2);

(5) such a loan shall be made without security and without endorsement, except that, if the borrower is a minor and the note or other evidence of obligation executed by him would not, under the applicable law, create a binding obligation, either security or endorsement may be required;

(6) the liability to repay any such loan shall be canceled upon the death of the borrower, or if he becomes permanently and totally disabled as determined in accordance with regulations of the Commissioner;

(7) such a loan by an institution for any year shall be made in such installments as may be provided in regulations of the Commissioner or the agreement with the institution under this title and, upon notice to the Commissioner by the institution that any recipient of a loan is failing to maintain satisfactory standing, any or all further installments of his loan shall be withheld, as may be appropriate; and

(8) no note or other evidence of such a loan may be transferred or assigned by the institution of higher education making the loan except, upon the transfer of the borrower to another institution of higher education participating in the program under this title (or, if not participating, is eligible to do so and is approved by the Commissioner for such purposes), to such institution.

(c) Pursuant to regulations of the Commissioner, an institution may assess a charge with respect to a loan from the loan fund established by the institution pursuant to this title for failure of the borrower to pay all or any part of an installment when it is due and, in the case of a borrower who is entitled to deferment benefits under section 205(b)(2) or cancellation benefits under section 205(b)(3), for any failure to file timely and satisfactory evidence of such entitlement. The amount of any such charge may not exceed—

(1) in the case of a loan which is repayable in monthly installments, $1 for the first month or part of a month by which such installment or evidence is late and $2 for each such month or part of a month thereafter: and

(2) in the case of a loan which has a bimonthly or quarterly repayment interval, $3 and $6, respectively, for each such interval or part thereof by which such installment or evidence is late.

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[1] Section 501(b) of P.L. 91–230 provides that "the amendment, made by this section shall apply to loans made after the date of enactment of this Act."

The institution may elect to add the amount of any such charge to the principal amount of the loan as of the first day after the day on which such installment or evidence was due, or to make the amount of the charge payable to the institution not later than the due date of the next installment after receipt by the borrower of notice of the assessment of the charge.

(d) An agreement under this title for payment of Federal capital contributions shall include provisions designed to make loans from the student loan fund established pursuant to such agreement reasonably available (to the extent of the available funds in such fund) to all eligible students in such institution in need thereof.

(20 U.S.C. 425) Enacted Sept. 2, 1958, P.L. 85–864, Title II, sec. 205, 72 Stat. 1584; amended Sept. 22, 1961, P.L. 89–293, sec. 20, 75 Stat. 623; amended Oct. 5, 1961, P.L. 87–400, sec. 1(a), 75 Stat. 832; amended Dec. 18, 1963, P.L. 88–665, sec. 22(d)(1),(2) 77 Stat. 416; amended Oct. 16, 1964, Title II, sec. 205(a)(b), 78 Stat. 1101; amended Oct. 9, 1965, P.L. 89–253, sec. 31(a), 79 Stat. 979; amended Nov. 8, 1965, P.L. 89–329, Title IV, secs. 463(a),(b),464(a),466(a), 79 Stat. 1252, 1253; amended Nov. 3, 1966, P.L. 89–752, sec. 16(a), 80 Stat. 1245: amended Nov. 8, 1966, P.L. 89–794, Title XI, sec. 1101(a), 80 Stat. 1476; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 173, 82 Stat. 1034–1035; amended April 13, 1970, P.L. 91–230, sec. 501, 84 Stat. 174.[1]

DISTRIBUTION OF ASSETS FROM STUDENT LOAN FUNDS

SEC. 206 (a) **After June 30, 1975, and not later than September 30,** 1975, there shall be a capital distribution of the balance of the student loan fund established under this title by each institution of higher education as follows:

(1) The Commissioner shall first be paid an amount which bears the same ratio to the balance in such fund at the close of June 30, 1975, as the total amount of the Federal capital contributions to such fund by the Commissioner under this title bears to the sum of such Federal capital contributions and the institution's capital contributions to such fund.

(2) The remainder of such balance shall be paid to the institution.

(b) After September 30, 1975, each institution with which the Commissioner has made an agreement under this title shall pay to the Commissioner, not less often than quarterly, the same proportionate share of amounts received by the institution after June 30, 1975, in payment of principal or interest on student loans made from the student loan fund established pursuant to such agreement (which amount shall be determined after deduction of any costs of litigation incurred in collection of the principal or interest on loans from the fund and not already reimbursed from the student loan fund or such payments of principal or interest) as was determined for the Commissioner under subsection (a).

(c) Upon a finding by the institution or the Commissioner prior to July 1, 1975, that the liquid assets of a student loan fund established pursuant to an agreement under this title exceed the amount required for loans or otherwise in the foreseeable future, and upon notice to such institution or to the Commissioner, as the case may be, there shall be, subject to such limitations as may be included in regulations of the Commissioner or in such agreement, a capital distribution from such fund. Such capital distribution shall be made as follows:

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[1] Probable error in section 501(a) of P.L. 91–230. Reference to "Section 205(a)(3)" should read "Section 205(b)(3)".

(1) The Commissioner shall first be paid an amount which bears the same ratio to the total to be distributed as the Federal capital contributions by the Commissioner to the student loan fund prior to such distribution bear to the sum of such Federal capital contributions and the capital contributions to the fund made by the institution.

(2) The remainder of the capital distribution shall be paid to the institution.

(20 U.S.C. 426) Enacted Sept. 2, 1958, P.L. 85-864, Title II, sec. 206, 72 Stat. 1586; amended Oct. 3, 1961, P.L. 87-344, Title II, sec. 201(c), 75 Stat. 759; amended Dec. 18, 1963, P.L. 88-210, sec. 22(e), 77 Stat. 416; amended Oct. 16, 1964, P.L. 88-665, 78 Stat. 1102; amended Oct. 16, 1968, Title I, sec. 171, 82 Stat. 1034.

LOANS TO INSTITUTIONS

Sec. 207. (a) Upon application by any institution of higher education with which he has made an agreement under this title, the Commissioner may make a loan to such institution for the purpose of helping to finance the institution's capital contributions to a student loan fund established pursuant to such agreement. Any such loan may be made only if such institution shows it is unable to secure such funds from non-Federal sources upon terms and conditions which the Commissioner determines to be reasonable and consistent with the purposes of this title. Loans made to institutions under this section shall bear interest at a rate which the Commissioner determines to be adequate to cover (1) the cost of the funds to the Treasury as determined by the Secretary of the Treasury, taking into consideration the current average yields of outstanding marketable obligations of the United States having maturities comparable to the maturities of loans made by the Commissioner under this section, (2) the cost of administering this section, and (3) probable losses.

(b) There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this section, but not to exceed a total of $25,000,000.

(c) Loans made by the Commissioner under this section shall mature within such period as may be determined by the Commissioner to be appropriate in each case but not exceeding fifteen years.

(20 U.S.C. 427) Enacted Sept. 2, 1958, P.L. 85-864, Title II, sec. 207, 72 Stat. 1587.

PAYMENTS TO COVER REDUCTIONS IN AMOUNTS OF LOAN

Sec. 208. In addition to the payments otherwise authorized to be made pursuant to this title, the Commissioner shall pay to the appropriate institution, at such time or times as he determines, an amount which bears the same ratio to the interest which has been prevented from accruing and the portion of the principal which has been canceled on student loans pursuant to paragraph (3) of section 205(b) (and not previously paid pursuant to this subsection) as the total amount of the institution's capital contributions to such fund under this title bears to the sum of such institution's capital contributions and the Federal capital contributions to such fund.

(20 U.S.C. 428) Enacted Sept. 2, 1958, P.L. 85–864, Title II, sec. 208, 72 Stat. 1587.

ADMINISTRATIVE PROVISIONS

SEC. 209. (a) The Commissioner, in addition to the other powers conferred upon him by this title, shall have power to agree to modifications of agreements or loans made under this title and to compromise, waive, or release any right, title, claim, or demand, however arising or acquired under this title.

(b) Financial transactions of the Commissioner pursuant to this title, and vouchers approved by him in connection with such financial transactions, shall be final and conclusive upon all officers of the Government; except that all such transactions shall be subject to audit by the General Accounting Office at such times and in such manner as the Comptroller General may by regulation prescribe.

(20 U.S.C. 429) Enacted Sept. 2, 1958, P.L. 85–864, Title II, sec. 209, 72 Stat. 1587.

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Title IV—National Defense Fellowships

APPROPRIATIONS AUTHORIZED

SEC. 401. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this title.

(20 U.S.C. 461) Enacted Sept. 2, 1958, P.L. 85–864, Title IV, sec. 401, 72 Stat. 1590.

NUMBER OF FELLOWSHIPS

SEC. 402. (a) During the fiscal year ending June 30, 1965, the Commissioner is authorized to award not to exceed three thousand fellowships to be used for study in graduate programs at institutions of higher education, during the fiscal year ending June 30, 1966, he is authorized to award not to exceed six thousand such fellowships, and during each of the seven succeeding fiscal years, he is authorized to award not to exceed seven thousand five hundred such fellowships. Such fellowships may be awarded for such period of study as the Commissioner may determine, but not in excess of three academic years, except (1) that where a fellowship holder pursues his studies as a regularly enrolled student at the institution during periods outside the regular sessions of the graduate program of the institution, a fellowship may be awarded for a period not in excess of three calendar years, and (2) that the Commissioner may provide by regulation for the granting of such fellowships for a period of study not to exceed one academic year (or one calendar year in the case of fellowships to which clause (1) applies) in addition to the maximum period otherwise applicable, under special circumstances in which the purposes of this title would most effectively be served thereby.

(b) In addition to the number of fellowships authorized to be awarded by subsection (a) of this section, the Commissioner is authorized to award fellowships equal to the number previously awarded during any fiscal year under this section but vacated prior to the end of the period for which they were awarded; except that each fellowship awarded under this subsection shall be for such period of study, not in excess of the remainder of the period for which the fellowship which it replaces was awarded, as the Commissioner may determine.

(20 U.S.C. 462) Enacted Sept. 2, 1958, P.L. 85–864, Title IV, sec. 402, 72 Stat. 1591; amended Oct. 3, 1961, P.L. 87–344, Title II, sec. 203, 75 Stat. 760; amended Dec. 18, 1963, P.L. 88–210, sec. 24(a)(b), 77 Stat. 417; amended Oct. 16, 1964, P.L. 88–665, Title IV, sec. 401, 78 Stat. 1104; amended Oct. 16, 1968, P.L. 90–575, Title III, sec. 311, 312, 82 Stat. 1056.

AWARD OF FELLOWSHIPS AND APPROVAL OF INSTITUTIONS

SEC. 403. (a) Of the total number of fellowships authorized by section 402(a) to be awarded during a fiscal year (1) not less than one thousand five hundred of such fellowships awarded during the fiscal year ending June 30, 1965, and not less than one-third of such fellowships awarded during the eight succeeding fiscal years shall be awarded to individuals accepted for study in graduate programs approved by the Commissioner under this section, and (2) the remainder shall be awarded on such bases as he may determine, subject to the provisions of subsection (c). The Commissioner shall approve a graduate program of an institution of higher education only upon application by the institution and only upon his finding:

(1) that such program is a new program or an existing program which has been expanded, and

(2) that such new program or expansion of an existing program will substantially further the objective of increasing the facilities available in the Nation for the graduate training of college or university level teachers and of promoting a wider geographical distribution of such facilities throughout the Nation, and

(3) that the application contains satisfactory assurance that the institution will make reasonable continuing efforts to encourage recipients of fellowships under this title, enrolled in such program, to teach or continue to teach in institutions of higher education.

(b) The total of the fellowships awarded as described in clause (1) of subsection (a) for pursuing a course of study in a graduate program at any institution of higher learning may not exceed a limit established by the Commissioner in the light of the objective referred to in subsection (a)(2), and the Commissioner shall give consideration to such objective in determining the number of fellowships awarded under this title for attendance at any one institution of higher education.

(c) Recipients of fellowships under this title shall be persons who are interested in teaching, or continuing to teach, in institutions of higher education and are pursuing, or intend to pursue, a course of study leading to a degree of doctor of philosophy or an equivalent degree.

(d) No fellowship shall be awarded under this title for study at a school or department of divinity. For the purposes of this subsection, the term "school or department of divinity" means an institution or department or branch of an institution, whose program is specifically for the education of students to prepare them to become ministers of religion or to enter upon some other religious vocation or to prepare them to teach theological subjects.

(e) In order to provide training opportunities in those areas of the Nation which have greater need for increased numbers of highly qualified persons to teach in institutions of higher education, the Commissioner shall seek to achieve an equitable geographical distribution of graduate programs approved under this section throughout the Nation, based upon such factors as student enrollments in institutions of higher education and population.

(20 U.S.C. 463) Enacted Sept. 2, 1958, P.L. 85–864, Title IV, sec. 403, 72 Stat. 1591; amended Oct. 16, 1964, P.L. 88–665, Title IV, sec. 402(a)(c), 78 Stat. 1104; amended Oct. 16, 1968, P.L. 90–575, Title III, secs. 311, 312, 314, 82 Stat. 1056.

FELLOWSHIP STIPENDS

Sec. 404. (a) The Commissioner shall pay to persons awarded fellowships under this title such stipends (including such allowances for subsistence and other expenses for such persons and their dependents) as he may determine to be consistent with prevailing practices under comparable federally supported programs.

(b) The Commissioner shall (in addition to the stipends paid to persons under subsection (a)) pay to the institution of higher education at which such person is pursuing his course of study such amounts as the Commissioner may determine to be consistent with prevailing practices under comparable federally supported programs, except that such amount shall not exceed $3,500 per academic year for any such person.

(20 U.S.C. 464) Enacted Sept. 2, 1958, P.L. 85–864, Title IV, sec. 404, 72 Stat. 1591; amended Dec. 18, 1963, P.L. 88–210, sec. 24(c), 77 Stat. 417; amended Oct. 16, 1964, P.L. 88–665, Title IV, sec. 403, 78 Stat. 1105; amended Oct. 16, 1968, P.L. 90–575, Title III, sec. 313, 82 Stat. 1056.

FELLOWSHIP CONDITIONS

Sec. 405. A person awarded a fellowship under the provisions of this title shall continue to receive the payments provided in section 404 only during such periods as the Commissioner finds that he is maintaining satisfactory proficiency in, and devoting essentially full time to, study or research in the field in which such fellowship was awarded, in an institution of higher education, and is not engaging in gainful employment other than part-time employment by such institution in teaching, research, or similar activities, approved by the Commissioner.

(20 U.S.C. 465) Enacted Sept. 2, 1958, P.L. 85–864, Title IV, sec. 405, 72 Stat. 1591.

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Title VI—Language Development

LANGUAGE AND AREA CENTERS

Sec. 601. (a) The Secretary is authorized to arrange through grants to or contracts with institutions of higher education for the establishment and operation by them, during the period beginning

July 1, 1958, and ending with the close of June 30, 1971, of centers for the teaching of any modern foreign language with respect to which the Secretary determines that individuals trained in such language are needed by the Federal Government or by business, industry, or education in the United States. Any such grant or contract may provide for instruction not only in such modern foreign language but also in other fields needed to provide a full understanding of the areas, regions, or countries in which such language is commonly used, to the extent adequate instruction in such fields is not readily available, including fields such as history, political science, linguistics, economics, sociology, geography, and anthropology. Any such grant or contract may cover all or part of the cost of the establishment and operation of the center with respect to which it is made, including the cost of grants to the staff for travel in the foreign areas, regions, or countries with which the subject matter of the field or fields in which they are or will be working is concerned and the cost of travel of foreign scholars to such centers to teach or assist in teaching therein and the cost of their return, and shall be made on such conditions as the Secretary finds necessary to carry out the purposes of this section.

(b) The Secretary is also authorized, during the period beginning July 1, 1958, and ending with the close of June 30, 1971, to pay stipends to individuals undergoing advanced training in any modern foreign language (with respect to which he makes the determination under subsection (a)), and other fields needed for a full understanding of the area, region, or country in which such language is commonly used, at any short-term or regular session of any institution of higher education, including allowances for dependents and for travel to and from their places of residence, but only upon reasonable assurance that the recipients of such stipends will, on completion of their training, be available for teaching a modern foreign language in an institution of higher education or for such other service of a public nature as may be permitted in regulations of the Secretary.

(20 U.S.C. 511) Enacted Sept. 2, 1958, P.L. 85–864, Title VI, sec. 601, 72 Stat. 1593; amended Oct. 3, 1961, P.L. 87–344, Title II, sec. 205(a), 75 Stat. 760; amended Dec. 18, 1963, P.L. 88–210, sec. 26(a), 77 Stat. 418; amended Oct. 16, 1964, P.L. 88–665, Title VI, sec. 601(a), 78 Stat. 1106; amended Oct. 29, 1966, P.L. 89–698, Title II, sec. 201, 80 Stat. 1069; amended Oct. 16, 1968, P.L. 90–575, Title III, sec. 331, 82 Stat. 1057.

RESEARCH AND STUDIES

Sec. 602. The Commissioner is authorized, directly or by contract, to make studies and surveys to determine the need for increased or improved instruction in modern foreign languages and other fields needed to provide a full understanding of the areas, regions or countries in which such languages are commonly used, to conduct research on more effective methods of teaching such languages and in such other fields, and to develop specialized materials for use in such training, or in training teachers of such languages or in such fields.

(20 U.S.C. 512) Enacted Sept. 2, 1958, P.L. 85–864, Title VI, sec. 602, 72 Stat. 1594.

APPROPRIATIONS AUTHORIZED

Sec. 603. There are hereby authorized to be appropriated $8,000,000 for the fiscal year ending June 30, 1964, $13,000,000 for the fiscal year

ending June 30, 1965, $14,0000,000 for the fiscal year ending June 30, 1966, $16,000,000 for the fiscal year ending June 30, 1967, $18,000,000 for the fiscal year ending June 30, 1968, $16,050,000 for the fiscal year ending June 30, 1969, $30,000,000 for the fiscal year ending June 30, 1970, and $38,500,000 for the fiscal year ending June 30, 1971, to carry out the provisions of this title.

(20 U.S.C. 513) Enacted Sept. 2, 1958, P.L. 85–864, Title VI, sec. 603, 72 Stat. 1594; amended Oct. 16, 1964, P.L. 88–665, Title VI, sec. 601(b), 78 Stat. 1107; amended Oct. 16, 1968, P.L. 90–575, Title III, sec. 331, 82 Stat. 1057.

Title X—Miscellaneous Provisions

ADMINISTRATION

Sec. 1001. (c) The Commissioner shall include in his annual report to the Congress a full report of the activities of the Office of Education under this Act, including recommendations for needed revisions in the provisions thereof.

(d) The Secretary shall advise and consult with the heads of departments and agencies of the Federal Government responsible for the administration of scholarship, fellowship, or other educational programs with a view to securing full information concerning all specialized scholarship, fellowship, or other educational programs administered by or under any such department or agency and to developing policies and procedures which will strengthen the educational programs and objectives of the institutions of higher education utilized for such purposes by any department or agency.

(e) Any agency of the Federal Government shall exercise its functions under any other law in such manner as will assist in carrying out the objectives of this Act. Nothing in this Act shall be construed as superseding or limiting the authority of any such agency under any other law.

(f) (1) No part of any funds appropriated or otherwise made available for expenditure under the authority of this Act shall be used to make payments or loans to any individual (other than a permanent resident of the Trust Territory of the Pacific Islands) unless such individual has taken and subscribed to an oath or affirmation in the following form: "I do solemnly swear (or affirm) that I bear true faith and allegiance to the United States of America and will support and defend the Constitution and laws of the United States against all its enemies, foreign and domestic".

(2) No fellowship or stipend shall be awarded to any individual under the provisions of title IV or of part A of title VI of this Act unless such individual has provided the Commissioner (in the case of applications made on or after October 1, 1962) with a full statement regarding any crimes of which he has ever been convicted (other than crimes committed before attaining sixteen years of age and minor traffic violations for which a fine of $25 or less was imposed) and regarding any criminal charges punishable by confinement of thirty days or more which may be pending against him at the time of his application for such fellowship or stipend.

(3) The provisions of section 1001 of title 18, United States Code, shall be applicable with respect to the oath or affirmation required

under paragraph (1) of this subsection and to the statement required under paragraph (2).

(4)(A) When any Communist organization, as defined in paragraph (5) of section 3 of the Subversive Activities Control Act of 1950, is registered or there is in effect a final order of the Subversive Activities Control Board requiring such organization to register, it shall be unlawful for any member of such organization with knowledge or notice that such organization is so registered or that such order has become final (i) to make application for any payment or loan which is to be made from funds part or all of which are appropriated or otherwise made available for expenditure under the authority of this Act, or (ii) to use or attempt to use any such payment or loan.

(B) Whoever violates subparagraph (A) of this paragraph shall be fined not more than $10,000 or imprisoned not more than five years, or both.

(g) Nothing contained in this Act shall prohibit the Commissioner from refusing or revoking a fellowship award under title IV of this Act, in whole or in part, in the case of any applicant or recipient, if the Commissioner is of the opinion that such award is not in the best interests of the United States.

(20 U.S.C. 581) Enacted Sept. 2. 1958. P.L. 85-864. Title X. sec. 1001. 72 Stat. 1602; amended Oct. 16, 1962, P.L. 87-835, 76 Stat. 1070; amended Oct. 16, 1968, P.L. 90-575, Title I, sec. 176, 82 Stat. 1035; subsections (a) and (b) repealed April 13, 1970, P.L. 91-230, Title IV, sec. 401(c)(4) and replaced by P.L. 91-230, Title IV, sec. 401(a)(10). (20 U.S.C. 1231)

METHOD OF PAYMENT

Sec. 1006. Payments under this Act to any individual or to any State or Federal agency, institution of higher education, or any other organization, pursuant to a grant, loan, or contract, may be made in installments, and in advance or by way of reimbursements, and, in the case of grants or loans, with necessary adjustments on account of overpayments or underpayments.

(20 U.S.C. 586) Enacted Sept. 2, 1958, P.L. 85-864, Title X, sec. 1006, 72 Stat. 1604.

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Land-Grant Colleges

First Morrill Act

AN ACT Donating public lands to the several States and Territories which may provide colleges for the benefit of agriculture and the mechanic arts

Be it enacted by the Senate and House of Representatives of the United States of America, in Congress assembled, That there be granted to the several States, for the purposes hereinafter mentioned, an amount of public land, to be apportioned to each State a quantity equal to thirty thousand acres for each Senator and Representative in Congress to which the States are respectively entitled by the apportionment under the census of 1860: *Provided*, That no mineral lands shall be selected or purchased under the provisions of this act.

(7 U.S.C. 301) Enacted July 2, 1862, ch. 130, sec. 1, 12 Stat. 503.

SEC. 2. *And be it further enacted*, That the land aforesaid, after being surveyed, shall be apportioned to the several States in sections or subdivisions of sections, not less than one-quarter of a section; and wherever there are public lands in a State, subject to sale at private entry at one dollar and twenty-five cents per acre, the quantity to which said State shall be entitled shall be selected from such lands, within the limits of such State; and the Secretary of Interior is hereby directed to issue to each of the States, in which there is not the quantity of public lands subject to sale at private entry, at one dollar and twenty-five cents per acre, to which said State may be entitled under the provisions of this act, land scrip to the amount in acres for the deficiency of its distributive share; said scrip to be sold by said States, and the proceeds thereof applied to the uses and purposes prescribed in this act, and for no other purpose whatsoever: *Provided*, That in no case shall any State to which land scrip may thus be issued be allowed to locate the same within the limits of any other State, or of any territory of the United States; but their assignees may thus locate said land scrip upon any of the unappropriated lands of the United States subject to sale at private entry, at one dollar and twenty-five cents, or less, an acre: *And provided further*, That not more than one million acres shall be located by such assignees in any one of the States: *And provided further*, That no such location shall be made before one year from the passage of this act.

(7 U.S.C. 302) Enacted July 2, 1862, ch. 130, sec. 2, 12 Stat. 503.

SEC. 3. *And be it further enacted*, That all the expenses of management, superintendence, and taxes from date of selection of said lands, previous to their sales, and all expenses incurred in the management and disbursement of moneys which may be received therefrom, shall be paid by the States to which they may belong, out of the treasury of said States, so that the entire proceeds of the sale of said lands shall be applied, without any diminution whatever, to the purposes hereinafter mentioned.

(7 U.S.C. 303) Enacted July 2, 1862, ch. 130, sec. 3, 12 Stat. 504.

SEC. 4. That all moneys derived from the sale of lands aforesaid by the States to which lands are apportioned and from the sale of land scrip hereinbefore provided for shall be invested in bonds of the United States or of the States or some other safe bonds; or the same may be invested by the States having no State bonds in any manner after the legislatures of such States shall have assented thereto and engaged that such funds shall yield a fair and reasonable rate of return, to be fixed by the State legislatures, and that the principal thereof shall forever remain unimpaired: *Provided*, That the moneys so invested or loaned shall constitute a perpetual fund, the capital of which shall remain forever undiminished (except so far as may be provided in section 5 of this act), and the interest of which shall be inviolably appropriated, by each State which may take and claim the benefit of this act, to the endowment, support, and maintenance of at least one college where the leading object shall be, without excluding other scientific and classical studies and including military tactics, to teach such branches of learning as are related to agriculture and the mechanic arts, in such manner as the legislatures of the States may respectively prescribe, in order to promote the liberal and practical education of the industrial classes in the several pursuits and professions in life.

(7 U.S.C. 304) Enacted July 2, 1862, ch. 130, sec. 4, 12 Stat. 504; amended Mar. 3, 1883, ch. 102, 22 Stat. 484; amended Apr. 13, 1926, P.L. 113, 69th Cong., 44 Stat. 247.

SEC. 5. *And be it further enacted*, That the grant of land and land scrip hereby authorized shall be made on the following conditions, to which, as well as to the provisions hereinbefore contained, the previous assent of the several States shall be signified by legislative acts:

First. If any portion of the fund invested, as provided by the foregoing section, or any portion of the interest thereon, shall, by any action or contingency, be diminished or lost, it shall be replaced by the State to which it belongs, so that the capital of the fund shall remain forever undiminished; and the annual interest shall be regularly applied without diminution to the purposes mentioned in the fourth section of this act, except that a sum, not exceeding 10 per centum upon the amount received by any State under the provisions of this act, may be expended for the purchase of lands for sites or experimental farms, whenever authorized by the respective legislatures of said States;

Second. No portion of said fund, nor the interest thereon, shall be applied, directly or indirectly, under any pretense whatsoever, to the purchase, erection, preservation, or repair of any building or buildings;

Third. Any State which may take and claim the benefit of the provisions of this act shall provide, within five years, at least not less than one college, as prescribed in the fourth section of this act, or the grant to such State shall cease; and said State shall be bound to pay the United States the amount received of any lands previously sold, and that the title to purchasers under the State shall be valid;

Fourth. An annual report shall be made regarding the progress of each college, recording any improvements and experiments made, with their costs and results, and such other matters, including State industrial and economical statistics, as may be supposed useful; one copy of which shall be transmitted by mail free, by each, to all the other colleges which may be endowed under the provisions of this act, and also one copy to the Secretary of the Interior;

Fifth. When lands shall be selected from those which have been raised to double the minimum price in consequence of railroad grants, they shall be computed to the States at the maximum price, and the number of acres proportionately diminished;

Sixth. No State, while in a condition of rebellion or insurrection against the Government of the United States, shall be entitled to the benefit of this act;

Seventh. No State shall be entitled to the benefits of this act unless it shall express its acceptance thereof by its legislature within three years from July 23, 1866: *Provided*, That when any Territory shall become a State and be admitted into the Union such new State shall be entitled to the benefits of the said act of July second, eighteen hundred and sixty-two, by expressing the acceptance therein required within three years from the date of its admission into the Union, and providing the college or colleges within five years after such acceptance, as prescribed in this act.

(7 U.S.C. 305) Enacted July 2, 1862, ch. 130, sec. 5, 12 Stat. 504; amended Mar. 3, 1873, ch. 231, sec. 3, 17 Stat. 559.

SEC. 6. * * *

(7 U.S.C. 306) Enacted July 2, 1862, ch. 130, sec. 6, 12 Stat. 505: repealed Dec. 16, 1930, P.L. 547, 71st Cong., sec. 1, 46 Stat. 1028.

SEC. 7. *And be it further enacted*, That land officers shall receive the same fees for locating land scrip issued under the provisions of this act as is now allowed for the location of military bounty land warrants under existing laws: *Provided*, That their maximum compensation shall not be thereby increased.

(7 U.S.C. 307) Enacted July 2, 1862, ch. 130, sec. 7, 12 Stat. 505.

SEC. 8. *And be it further enacted*, That the governors of the several States to which scrip shall be issued under this act shall be required to report annually to Congress all sales made of such scrip until the whole shall be disposed of, the amount received for the same, and what appropriation has been made of the proceeds.

(7 U.S.C. 308) Enacted July 2, 1862, ch. 130, sec. 8, 12 Stat. 505.

LEGISLATIVE HISTORY

FIRST MORRILL ACT

37th Congress*—S. 298: Reported, p. 496, May 16, 1862; amended and passed Senate, p. 628, June 10, 1862. Passed House, p. 880, June 17, 1862. Approved, p. 743, July 2, 1862.

Amendments (amends First Morrill)

***38th Congress**—S. 12: Passed Senate, p. 118, Jan. 2, 1864. House reported, p. 428, Mar. 25, 1864. Passed House, p. 504, Mar. 25, 1864.**

***39th Congress**—H.R. 50: House reported, p. 161, Jan. 18, 1866; second report, with amendment, p. 441, Mar. 21, 1866; third report, with amendment, p. 538, Apr. 10, 1866; fourth report, with amendment, p. 542, Apr. 11, 1866. Amended and passed, p. 543, Apr. 11, 1866. Senate reported, p. 626, July 7, 1866. Amended and passed, p. 636, July 11, 1866. House concurred with Senate amendment, p. 1044, July 18, 1866. Approved, p. 1088, July 23, 1866.**

***42d Congress**—S. 964: Senate report, p. 541, April 12, 1872. Passed Senate, p. 636, Apr. 30, 1872. House reported without amending, Jan. 16, 1873. Passed House, p. 182, Jan. 16, 1873. Approved, p. 182, Mar. 3, 1872.**

***47th Congress**—S. 1829: Senate reported, p. 879, June 27, 1882. Amended and passed Senate, p. 879, June 27, 1882. Passed House, p. 539, Mar. 2, 1883. Approved, p. 655, Mar. 3, 1883.**

Second Morrill Act

AN ACT To apply a portion of the proceeds of the public lands to the more complete endowment and support of the colleges for the benefit of agriculture and mechanic arts established under the provisions of an act of Congress approved July second, eighteen hundred and sixty-two

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there shall be, and hereby is, annually appropriated, out of any money in the Treasury not otherwise appropriated, to be paid as hereinafter provided, to each State and Territory for the more complete endowment and main-

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***Asterisks refer to page numbers in House and Senate Journals.**

tenance of agricultural colleges now established, or which may hereafter be established, in accordance with the act of Congress approved July second, eighteen hundred and sixty-two, and the act of Congress approved August thirtieth, eighteen hundred and ninety, the sum of five thousand dollars, in addition to the sums named in said act for the fiscal year ending June thirtieth, nineteen hundred and eight, and an annual increase of the amount of such appropriation thereafter for four years by an additional sum of five thousand dollars over the preceding year, and the annual sum to be paid thereafter to each State and Territory shall be fifty thousand dollars, to be applied only to instruction in agriculture, the mechanic arts, the English language and the various branches of mathematical, physical, natural, and economic science, with special reference to their applications in the industries of life, and to the facilities for such instruction: *Provided*, That said colleges may use a portion of this money for providing courses for the special preparation of instructors for teaching the elements of agriculture and the mechanic arts: *Provided*, That no money shall be paid out under this act to any State or Territory for the support and maintenance of a college where a distinction of race or color is made in the admission of students, but the establishment and maintenance of such colleges separately for white and colored students shall be held to be a compliance with the provisions of this act if the funds received in such State or Territory be equitably divided as hereinafter set forth: *Provided*, That in any State in which there has been one college established in pursuance of the act of July second, eighteen hundred and sixty-two, and also in which an educational institution of like character has been established, or may be hereafter established, and is on August 30, 1890 aided by such State from its revenue, for the education of colored students in agriculture and the mechanic arts, however named or styled, or whether or not it has received money prior to August 30. 1890, under the said act, the legislature of such a State may propose and report to the Secretary of Health, Education, and Welfare a just and equitable division of the fund to be received under this act between one college for white students and one institution for colored students established as aforesaid, which shall be divided into two parts and paid accordingly, and thereupon such institution for colored students shall be entitled to the benefits of this act and subject to its provisions. as much as it would have been if it had been included under the act of eighteen hundred and sixty-two, and the fulfillment of the foregoing provisions shall be taken as a compliance with the provision in reference to separte colleges for white and colored students.

(7 U.S.C. 322, 323) Enacted Aug. 30, 1890, ch. 841, sec. 1, 26 Stat. 417; amended Mar. 4, 1907, P.L. 242, 59th Cong., 34 Stat. 1282; authority transferred with the Office of Education to the Federal Security Agency July 1, 1939, 1939 Reorg. Plan No. 1, secs. 201, 204, 4 F.R. 2728, 53 Stat. 1424; transferred to the Dept. of H.E.W. Apr. 11, 1953, 1953 Reorg. Plan No. 1, secs. 5, 8, 18 F.R. 2053, 67 Stat. 631.

SEC. 2. That the sums hereby appropriated to the States and Territories for the further endowment and support of colleges shall be annually paid on or before the thirty-first day of July of each year, by the Secretary of the Treasury, upon the warrant of the Secretary of Health, Education, and Welfare, out of the Treasury of the United States, to the State or Territorial treasurer, or to such officer as shall be designated by the laws of such State or Territory to receive the same, who shall, upon the order of the trustees of the colleges, or the institution for colored students, immediately pay over said sums to the treasurers of the respective colleges or other institutions entitled to receive the same, and such treasurers shall be required to report to the Secetary of Agriculture and to the Secretary of Health, Education, and Welfare, on or before the first day of September of each year, a detailed statement of the amount so received and of its disbursement. The grants of moneys authorized by this Act are made subject to the legislative assent of the several States and Territories to the purpose of said grants: *Provided*, That payments of such installments of the appropriation herein made as shall become due to any State before the adjournment of the regular session of legislature meeting next after the passage of this Act shall be made upon the assent of the governor thereof, duly certified to the Secretary of the Treasury.

(7 U.S.C. 324) Enacted Aug. 30, 1890, ch. 841, sec. 2, 26 Stat. 418.

SEC. 3. That if any portion of the moneys received by the designated officer of the State or Territory for the further and more complete endowment, support, and maintenance of colleges, or of institutions for colored students, as provided in this act, shall, by any action or contingency, be diminished or lost, or be misapplied, it shall be replaced by the State or Territory to which it belongs, and until so replaced no subsequent appropriation shall be apportioned or paid to such State or Territory; and no portion of said moneys shall be applied, directly or indirectly, under any pretense whatever, to the purchase, erection, preservation, or repair of any building or buildings. An annual report by the president of each of said colleges shall be made to the Secretary of Agriculture, as well as to the Secretary of Health, Education, and Welfare, regarding the condition and progress of each college, including statistical information in relation to its receipts and expenditures, its library, the number of its students and professors, and also as to any improvements and experiments made under the direction of any experiment stations attached to said colleges, with their costs and results, and such other industrial and economical statistics as may be regarded as useful, one copy of which shall be transmitted by mail free to all other colleges further endowed under this act.

(7 U.S.C. 325) Enacted Aug. 30, 1890, ch. 841, sec. 3, 26 Stat. 418.

SEC. 4. That on or before the first day of July in each year, after the passage of this act, the Secretary of Health, Education, and Welfare shall ascertain and certify to the Secretary of the Treasury as to each State and Territory whether it is entitled to receive its share of the annual appropriation for colleges, or of institutions for colored students, under this act, and the amount which thereupon each is entitled, respectively, to receive. If the Secretary of Health, Education, and Welfare shall withhold a certificate for any State or Territory of its appropriation, the fact and reasons therefor shall be reported to the President, and the amount involved shall be kept separate in the Treasury until the close of the next Congress, in order that the State or Territory, may, if it should so desire, appeal to Congress from the determination of the Secretary of Health, Education, and Welfare.

If the next Congress shall not direct such sum to be paid, it shall be covered into the Treasury. And the Secretary of Health, Education, and Welfare is hereby charged with the proper administration of this law.

(7 U.S.C. 321, 326) Enacted Aug. 30, 1890, ch. 841, sec. 4, 26 Stat. 419.

SEC. 5. * * *

(7 U.S.C. 327) Enacted Aug. 30, 1890, ch. 841, sec. 5, 26 Stat. 419; repealed May 29, 1928, P.L. 611, 70th Cong., sec. 1(74), 45 Stat. 991.

SEC. 6. Congress may at any time amend, suspend, or repeal any or all of the provisions of this act.

(7 U.S.C. 328) Enacted Aug. 30, 1890, ch. 841, sec. 5, 26 Stat. 419.

LEGISLATIVE HISTORY

SECOND MORRILL ACT

***51st Congress*—S. 3714; S. Rept. 1028, p. 4821; amended and passed Senate, p. 6372, June 23, 1890, H. Rept. 2697, p. 7228; amended and passed House, p. 8839, Aug. 19, 1890. Senate concurs in House amendment, p. 8874, Aug. 20, 1890. Approved, p. 9388, Aug. 28, 1890.**

***59th Congress*—P.L. 59–242, H.R. 24815, H. Rept. 6597; amended and passed House, p. 1987, Jan. 30, 1907. S. Rept. 6829; amended and passed Senate, p. 3888, Feb. 25, 1907. Second Conference report agreed to: p. 4531, Mar. 2, 1907; p. 4545, Mar. 3, 1907. Approved Mar. 4, 1907.**

***70th Congress*—H.R. 12064 (repeals sec. 5 of Second Morrill Act, P.L. 70–611): H. Rept. 1757, p. 9134; amended and passed House, p. 9417, May 21, 1928. S. Rept. 1320, p. 10204; amended and passed Senate, p. 10616, May 29, 1928. House concurs in Senate amendment, p. 10741, May 29, 1928. Approved May 29, 1928, p. 10888.**

Bankhead-Jones Act

AN ACT Providing for research into basic laws and principles relating to agriculture, further development of cooperative agricultural extension work, and more complete endowment and support of land-grant colleges

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled.

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SEC. 22. In order to provide for the more complete endowment and support of the colleges in the several States and Puerto Rico entitled to the benefits of the Act entitled "An Act donating public lands to the several States and Territories which may provide colleges for the benefit of agriculture and the mechanic arts," approved July 2, 1862, as amended and supplemented (7 U.S.C. 301–328), there are hereby authorized to be appropriated annually, out of any money in the Treasury not otherwise appropriated, the following amounts:

(a) For the first fiscal year beginning after the date of enactment of this Act, and for each fiscal year thereafter, $7,800,000; and

(b) For the first fiscal year beginning after the date of enactment of this Act, and for each fiscal year thereafter, $4,320,000.

The sums appropriated in pursuance of paragraph (a) shall be paid annually to the several States and Puerto Rico in equal shares. The sums appropriated in pursuance of paragraph (b) shall be in addition to sums appropriated in pursuance of paragraph (a) and shall be allotted and paid annually to each of the several States and

Puerto Rico in the proportion to which the total population of each State and Puerto Rico bears to the total population of all the States and Puerto Rico as determined by the last preceding decennial census. Sums appropriated in pursuance of this section shall be in addition to sums appropriated or authorized under such Act of July 2, 1862, as amended and supplemented, and shall be applied only for the purposes of the colleges defined in such Act, as amended and supplemented. The provisions of law applicable to the use and payment of sums under the Act entitled "An Act to apply a portion of the proceeds of the public lands to the more complete endowment and support of the colleges for the benefit of agriculture and the mechanic arts established under the provisions of an Act of Congress approved July 2, 1862," approved August 30, 1890, as amended and supplemented, shall apply to the use and payment of sums appropriated in pursuance of this section.

(7 U.S.C. 329) Enacted June 29, 1935, P.L. 182, 74th Cong., sec. 22, 49 Stat. 439; amended June 29, 1952, P.L. 390, 82nd Cong., secs. 1–4, 66 Stat. 135, amended July 14, 1960, P.L. 86–658, sec. 1, 74 Stat. 525.

Legislative History

(P.L. 182, 74th Cong.)

House Reports No. 587 and No. 1316.
Senate Report No. 789.
Congressional Record, 1935:
    May 15: Passed House.
    June 10: Passed Senate.
    June 26: Senate agreed to conference report.
    June 27: House agreed to conference report.
Approved: June 29, 1935.

(P.L. 390, 82nd Cong.)

House Report No. 1746.
Senate Report No. 1609.
Congressional Record, 1952:
    May 5: Passed House.
    June 2: Passed Senate.
Approved: June 12, 1952.

(P.L. 86–658)

Senate Report No. 1596 (Committee on Agriculture and Forestry).
House Report No. 1854 (Committee on Agriculture).
Congressional Record, 1960:
    June 24: Passed Senate.
    July 2: Passed House.
Approved: July 14, 1960.

(P.L. 90–354)

House Report No. 1465 accompanying H.R. 15280 (Committee on the District of Columbia).
Senate Report No. 888 (Committee on the District of Columbia).
Congressional Record:
    Vol. 113 (1967): Dec. 8, considered and passed Senate.
    Vol. 114 (1968): May 7, considered and passed House, amended, in lieu of H.R. 15280.
        June 10, Senate concurred in House amendment.
Approved: June 20, 1968.

PART IV—EDUCATIONAL RESEARCH AND TRAINING

Cooperative Research Act (P.L. 531, 83rd Cong.), as Amended

AN ACT To authorize cooperative research in education

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

PURPOSE

SEC. 1. The purpose of this Act is to enable the Office of Education more effectively to accomplish the purposes and to perform the duties for which it was originally established.

(20 U.S.C. 331) Provision with similar authority enacted July 26, 1954, P.L 531, 83rd Cong., sec. 1(a). 68 Stat. 533. Enacted April 11, 1965, P.L. 89–10, Title IV, sec. 401, 79 Stat. 44, as sec. 1 of P.L. 531, 83rd Cong.

EDUCATIONAL RESEARCH AND RESEARCH TRAINING

SEC. 2. (a) (1) The Commissioner of Education (hereinafter in this Act referred to as the "Commissioner") is authorized to make grants to universities and colleges and other public or private agencies, institutions, and organizations and to individuals, for research, surveys, and demonstrations in the field of education (including programs described in sections 503(4) and 523(a)(3) and title VII of the Elementary and Secondary Education Act of 1965), and for the dissemination of information derived from educational research (including but not limited to information concerning promising educational practices developed under programs carried out under the Elementary and Secondary Education Act of 1965) and, without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5), to provide by contracts or jointly financed cooperative arrangements with them for the conduct of such activities; except that no such grant may be made to a private agency, organization, or institution other than a nonprofit one.

(2) No grant shall be made or contract or jointly financed cooperative arrangement entered into under this subsection until the Commissioner has obtained the advice and recommendations of a panel of specialists who are not employees of the Federal Government and who are competent to evaluate the proposals as to the soundness of their design, the possibilities of securing productive results, the adequacy of resources to conduct the proposed research, surveys, or demonstrations, and their relationship to other similar educational research or dissemination programs already completed or in progress.

(3) The Commissioner shall, pursuant to his authority under this Act, provide for research regarding the problems of financing elementary and secondary education. Such research shall include, but not be limited to, recommendations concerning—

(A) an appropriate division of responsibility among local, State, and the Federal Government in financing elementary and secondary education;

(B) an appropriate balance of categorical aid, general aid, and school construction aid in the total Federal responsibility for financing elementary and secondary education;

(C) new approaches to relieve the fiscal crisis now facing the schools;

(D) the use of Federal revenue sharing for supporting elementary and secondary education; and

(E) methods to minimize variations within and among States in per pupil expenditures for elementary and secondary education.

The Commissioner shall make a preliminary report to the Congress not later than one hundred and twenty days after the date of enactment of the Elementary and Secondary Education Amendments of 1969 identifying all existing federally financed research in this area (whether authorized under this or any other Act) and the current status of such research. Thereafter, the Commissioner shall report the results of, and recommendations with respect to, research under this paragraph as a separate and distinct part of his annual report pursuant to subsection (d).[1]

(b)(1) The Commissioner is authorized to make grants to universities and colleges and other public or private agencies, institutions, and organizations to assist them in providing training in research in the field of education (including such research described in section 503(4) and 523(a)(3) [2] and title VII of the Elementary and Secondary Education Act of 1965), including the development and strengthening of training staff and curricular capability for such training, and, without regard to sections 3648 and 3709 of the Revised Statutes (31 U.S.C. 529; 41 U.S.C. 5), to provide by contracts or jointly financed cooperative arrangements with them for the conduct of such activities; except that no such grant may be made to a private agency, organization, or institution other than a nonprofit one.

(2) Funds available to the Commissioner for grants or contracts or jointly financed cooperative arrangements under this subsection may, when so authorized by the Commissioner, also be used by the recipient (A) in establishing and maintaining research traineeships, internships, personnel exchanges, and pre- and post-doctoral fellowships, and for stipends and allowances (including traveling and subsistence expenses) for fellows and others undergoing training and their dependents not in excess of such maximum amounts as may be prescribed by the Commissioner, or (B) where the recipient is a State

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[1] Sec. 809(D) of P.L. 91-230 (Elementary and Secondary Education Amendments of 1970), 1969 reads as follows:

(d) The Commissioner shall, not later than ninety days after the date of enactment of this Act, establish a National Commission on School Finance. Such Commission shall consist of fifteen members appointed from (1) members of State and local educational agencies, (2) State and local government officials, (3) education administration, (4) teachers, (5) financial experts, (6) parents with one or more children in a public elementary or secondary school, (7) the Office of Education, (8) the Department of the Treasury, with the approval of the Secretary of the Treasury, and (9) other appropriate fields. The Commissioner shall appoint a chairman and vice chairman from among such members. Such Commission shall make a full and complete investigation and study of the financing of elementary and secondary education, including, but not limited to, the matters referred to in section 2(a)(3) of the Cooperative Research Act (as amended by subsection (c) of this section). The Commission shall report the results of such investigation and study and its recommendations to the Commissioner and the Congress not later than two years after the date of enactment of this Act. Funds available for the purposes of the Cooperative Research Act and for the purposes of section 402 of Public Law 90-247 shall be available for the purposes of this subsection.

[2] Apparent error; should be section 523(3).

educational agency, in providing for such traineeships, internships, personnel exchanges, and fellowships either directly or through arrangements with public or other nonprofit institutions or organizations.

(3) No grant shall be made or contract or jointly financed cooperative arrangement entered into under this subsection for training in sectarian instruction, or for work to be done in an institution, or a department or branch of an institution, whose program is specifically for the education of students to prepare them to become ministers of religion or to enter upon some other religious vocation or to prepare them to teach theological subjects.

(4) Prior to January 31, 1968, the Commissioner shall make a complete report to the Congress with respect to contracts and other arrangements made pursuant to this subsection with private organizations, including benefits received from such contracts and arrangements, and the Commissioner's recommendations with respect to the continuation of the authority to make such contracts and arrangements with private organizations.

(c) In addition to the authority granted by section 603(b) of the Elementary and Secondary Education Act of 1965, funds available to the Commissioner for grants or contracts or jointly financed cooperative arrangements under this section shall, with the approval of the Secretary, be available for transfer to any other Federal agency for use (in accordance with an interagency agreement) by such agency (alone or in combination with funds of that agency) for purposes for which such transferred funds could be otherwise expended by the Commissioner under the foregoing provisions of this section, and the Commissioner is likewise authorized to accept and expend funds of any other Federal agency for use under this section.

(d) The Commissioner shall transmit to the Congress annually a report concerning the research, surveys, and demonstrations, the information disseminating activities, and the training in research initiated under this Act, the recommendations made by research specialists pursuant to subsection (a)(2), and any action taken with respect to such recommendations.

(e)(1) The Commissioner shall establish in the Office of Education an Advisory Council on Research and Development, consisting of fifteen members appointed, without regard to the civil service laws, by the Commissioner with the approval of the Secretary of Health, Education, and Welfare. The Commissioner shall appoint one such member as Chairman. Such members shall include persons recognized as authorities in the field of educational research and development or in related fields.

(2) The Advisory Council shall advise the Commissioner with respect to matters of general policy arising in the administration of this Act.

(20 U.S.C. 331a) Provisions with similar authority enacted July 26, 1954, P.L. 531, 83d Cong., sec. 1, 68 Stat. 533. Enacted April 11, 1965, P.L. 89–10, Title IV; sec. 401, 79 Stat. 44, as sec. 2 of P.L. 531, 83d Cong.: amended Nov. 3, 1966, P.L. 89–750, Title I, sec. 141, 80 Stat. 1202: amended Jan. 2, 1968, P.L. 90–247, Title VII, sec. 706, 81 Stat. 820, amended April 13, 1970, P.L. 91–230, Title I, sec. 143(c), Tile VIII, secs. 808, 809(c), 84 Stat. 151, 193, 194.

SEC. 3. There are hereby authorized to be appropriated annually to the Office of Education, Department of Health, Education, and

Welfare, such sums as the Congress determines to be necessary to carry out the purposes of section 2.

(20 U.S.C. 332) Enacted July 26, 1954, P.L. 531, 83rd Cong., sec. 2, 68 Stat. 533; redesignated as sec. 3 and amended April 11, 1965, P.L. 89–10, Title IV, secs. 401–402, 79 Stat. 44, 46.

CONSTRUCTION OF REGIONAL FACILITIES FOR RESEARCH AND RELATED PURPOSES

SEC. 4. (a) There is authorized to be appropriated over a period of five fiscal years beginning with the fiscal year ending June 30, 1966, $100,000,000 in the aggregate, to enable the Commissioner to carry out the purposes of this section. Sums so appropriated shall remain available until expended for payments with respect to projects for which applications have been filed under this section before July 1, 1970, and approved by the Commissioner before July 1, 1974.

(b) Whenever the Commissioner finds that the purposes of this Act can best be achieved through the construction of a facility for research, or for research and related purposes (as defined in this section), and that such facility would be of particular value to the Nation or a region thereof as a national or regional resource for research or related purposes, he may make a grant for part or all of the cost of constructing such facility to a university, college, or other appropriate public or nonprofit private agency or institution competent to engage in the types of activity for which the facility is to be constructed, or to a combination of such agencies or institutions, or may construct or make arrangements for constructing such facility through contracts for paying part or all of the cost of construction or otherwise. Title to any facility constructed under this section, if vested in the United States, may be transferred by the Commissioner on behalf of the United States to any such college or university or other public or nonprofit private agency or institution, but such transfer shall be made subject to the condition that the facility will be operated for the purposes for which it was constructed and to such other conditions as the Commissioner deems necessary to carry out the objectives of this title and to protect the interests of the United States.

(d) Payments under this section shall be made in advance or by way of reimbursement, in such installments consistent with construction progress, and on such conditions as the Commissioner may determine.

(e) As used in this section, the term "research and related purposes" means research, research training, surveys, or demonstrations in the field of education, or the dissemination of information derived therefrom, or all of such activities, including (but without limitation) experimental schools, except that such term does not include research, research training, surveys, or demonstrations in the field of sectarian instruction or the dissemination of information derived therefrom.

(20 U.S.C. 332a) Enacted April 11, 1965, P.L. 89–10, Title IV, sec. 403, 79 Stat. 46; amended Nov. 3, 1966, P.L. 89–750, Title I, sec. 142, 80 Stat. 1203; subsection (c) repealed April 13, 1970, P.L. 91–230, Title IV, sec. 401(g)(2), 84 Stat. 174, and superseded by Title VIII, sec. 423 of P.L. 90–247, Title IV, as amended (20 U.S.C. 1232(b); sec. 4(a) amended April 13, 1970, P.L. 91–230, sec. 810, 84 Stat. 194.

DEFINITIONS

Sec. 5. As used in this Act—

(1) The term "State" includes, in addition to the several States of the Union, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, and the Virgin Islands.

(2) The term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the Governor or by State law.

(3) The term "nonprofit" as applied to any agency, organization, or institution means an agency, organization, or institution owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(4) The terms "construction" and "cost of construction" include (A) the construction of new buildings, and the acquisition, expansion, remodeling, replacement and alteration of existing buildings, including architects' fees, but not including the cost of acquisition of land (except in the case of acquisition of an existing building) or off-site improvements, and (B) equipping new buildings and existing buildings, whether or not acquired, expanded, remodeled, or altered.

(20 U.S.C. 332b) Enacted April 11, 1965, P.L. 89-10, Title IV, sec. 403, 79 Stat. 47; amended Nov. 3, 1966, P.L. 89-750, Title I, sec. 143, 80 Stat. 1203.

SHORT TITLE

Sec. 6. This Act may be cited as the "Cooperative Research Act".

Legislative History

(P.L. 531, 83rd Cong.)

House Reports No. 1565 (Committee on Education and Labor) and No. 2287 (committee of conference).
Senate Report No. 1596 (Committee on Labor and Public Welfare).
Congressional Record, 1954:
    May 12: Passed House.
    June 17: Passed Senate.
    July 21: House agreed to conference report.
    July 19: Senate agreed to conference report.
Approved: July 26, 1954.

(P.L. 89-10)

House Report 143 (Committee on Education and Labor).
Senate Report 146 (Committee on Labor and Public Welfare).
Congressional Record, volume 111 (1965):
    March 24-25: Considered in House.
    March 26: Considered and passed House.
    April 6-8: Considered in Senate.
    April 9: Considered and passed Senate.
Approved: April 11, 1965.

(P.L. 89-750)

House Reports: No. 1814, 1814 pt. II (Committee on Education and Labor) and No. 2309 (committee of conference).

Senate Report No. 1674 accompanying S. 3046 (Committee on Labor and Public Welfare).

Congressional Record, volume 112 (1966):
October 5: Considered in House.
October 6: Considered and passed House.
October 5, 6: S. 3046 considered and passed Senate.
October 7: Considered and passed Senate, amended, in lieu of S. 3046.
October 19: Senate agreed to conference report.
October 20: House agreed to conference report.
Approved: Nov. 3, 1966.

(P.L. 90-247)

House Reports: No. 188 (Committee on Education and Labor) and No. 1049 (committee of conference).

Senate Report No. 726 (Committee on Labor and Public Welfare).

Congressional Record, vol. 113 (1967):
May 22-24: Considered and passed House.
December 1, 4-8, 11: Considered and passed Senate amended.
December 15: House and Senate agreed to conference report.
Approved: Jan. 2, 1968.

(P.L. 91-230)

House Reports: No. 91-114 (Committee on Education and Labor) and No. 91-937 (committee of conference).

Senate Report: No. 91-634 (Committee on Labor and Public Welfare).

Congressional Record:
Vol. 115 (1969): April 23, considered and passed House.
Vol. 116 (1970):
February 4-6, 9, 10, 16-18, considered in Senate.
February 19, considered and passed Senate, amended.
March 24, 25, Senate considered conference report.
April 1, Senate agreed to conference report.
April 7, House agreed to conference report.
Approved: April 13, 1970.

National Defense Education Act of 1958

(P.L. 85-864)

An ACT To strengthen the national defense and to encourage and assist in the expansion and improvement of educational programs to meet critical national needs; and for other purposes

* * * * * * *

Title VII—Research and Experimentation in More Effective Utilization of Television, Radio, Motion Pictures, and Related Media for Educational Purposes

PART A—RESEARCH AND EXPERIMENTATION

FUNCTIONS OF THE COMMISSIONER

SEC. 701. In carrying out the provisions of this part the Commissioner, in cooperation with the Advisory Committee on New Educational Media (established by section 761), shall (through grants or contracts) conduct, assist, and foster research and experimentation in the development and evaluation of projects involving television, radio, motion pictures, printed and published materials, and related media of communication which may prove of value to State or local educational agencies in the operation of their public elementary or secondary schools, and to institutions of higher education, including the development of new and more effective techniques and methods—

(1) for utilizing and adapting motion pictures, video tapes and other audiovisual aids, film strips, slides and other visual aids, recordings (including magnetic tapes) and other auditory aids, printed and published materials, and radio or television program scripts for such purposes;

(2) for training teachers to utilize such media with maximum effectiveness; and

(3) for presenting academic subject matter through such media.

(20 U.S.C. 541) Enacted Sept. 2, 1958, P.L. 85–864, Title VII, sec. 701, 72 Stat. 1595; amended Dec. 18, 1963, P.L. 88–210, sec. 27(a), 77 Stat. 419.

GRANTS-IN-AID; CONTRACTS

SEC. 702. In carrying out the provisions of section 701, the Commissioner—

(1) may make grants-in-aid, approved by the Advisory Committee on New Educational Media, to public or nonprofit private agencies, organizations, and individuals for projects of research or experimentation referred to in section 701; and

(2) may enter into contracts, approved by the Advisory Committee on New Educational Media, with public or private agencies, organizations, groups, and individuals for projects of research or experimentation referred to in section 701; and

(3) shall promote the coordination of programs conducted or financed by him under this title with similar programs conducted by other agencies, institutions, foundations, organizations, or individuals.

(20 U.S.C. 542) Enacted Sept. 2, 1958, P.L. 85–864, Title VII, sec. 702, 72 Stat. 1595.

PART B—DISSEMINATION OF INFORMATION ON NEW EDUCATIONAL MEDIA

FUNCTIONS OF THE COMMISSIONER

SEC. 731. In order to disseminate information concerning new educational media (including the results of research and experimentation conducted under part A of this title) to State or local educational agencies, for use in their public elementary or secondary schools, and to institutions of higher education, the Commissioner—

(1) shall make studies and surveys to determine the need for increased or improved utilization of television, radio, motion pictures, printed and published materials, and related media of communication by State or local educational agencies and institutions of higher education for educational purposes;

(2) shall prepare and publish catalogs, reviews, bibliographies, abstracts, analysis of research and experimentation, and such other materials as are generally useful in the encouragement and more effective use of television, radio, motion pictures, printed and published materials, and related media of communication for educational purposes;

(3) may, upon request, provide advice, counsel, technical assistance, and demonstration to State or local educational agencies and institutions of higher education undertaking to utilize such media of communication to increase the quality or depth or broaden the scope of their educational programs;

(4) shall prepare and publish an annual report setting forth (A) projects carried out under this title and the cost of each such project, and (B) developments in the utilization and adaptation of media of communication for educational purposes; and

(5) may enter into contracts with public or private agencies, organizations, groups, or individuals to carry out the provisions of this part.

(20 U.S.C. 551) Enacted Sept. 2, 1958, P.L. 85-864, Title VII, sec. 731, 72 Stat. 1595; amended Dec. 18, 1963, P.L. 88-210, sec. 27(b), 77 Stat. 419.

Part C—General Provisions

ESTABLISHMENT OF THE ADVISORY COMMITTEE

Sec. 761. (a) There is hereby established in the Office of Education an Advisory Committee on New Educational Media (hereafter in this title referred to as the "Advisory Committee"). The Advisory Committee shall consist of the Commissioner, who shall be chairman, a representative of the National Science Foundation and twelve persons appointed, without regard to the civil service laws, by the Commissioner with the approval of the Secretary. Three of such appointed members shall be individuals identified with the sciences, liberal arts, or modern foreign languages in institutions of higher education; three shall be individuals actually engaged in teaching or in the supervision of teaching in elementary or secondary schools; three shall be individuals of demonstrated ability in the utilization or adaptation of television, radio, motion pictures, printed and published materials, and related media of communication for educational purposes; and three shall be individuals representative of the lay public who have demonstrated an interest in the problems of communication media.

(b) The Advisory Committee shall—

(1) advise, consult with, and make recommendations to the Commissioner on matters relating to the utilization or adaptation of television, radio, motion pictures, printed and published materials, or related media of communication for educational purposes, and on matters of basic policy arising in the administration of this title;

(2) review all applications for grants-in-aid under part A of this title for projects of research or experimentation and certify approval to the Commissioner of any such projects which it believes are appropriate for carrying out the provisions of this title; and

(3) review all proposals by the Commissioner to enter into contracts under this title and certify approval to the Commissioner of any such contracts which it believes are appropriate to carry out the provisions of this title.

(c) The Commissioner may utilize the services of any member or members of the Advisory Committee in connection with matters relating to the provisions of this title, for such periods, in addition to conference periods, as he may determine.

(20 U.S.C. 561) Enacted Sept. 2, 1958, P.L. 85–864, Title VII, sec. 761, 72 Stat. 1596; amended Dec. 18, 1963, P.L. 88–210, sec. 27(c), 77 Stat. 419; subsection (d) repealed April 13, 1970, P.L. 91–230, sec. 401(h) and superseded by Part C of Title IV or P.L. 90–247, as amended.

SPECIAL PERSONNEL

Sec. 762. The Commissioner may secure from time to time and for such periods as he deems advisable, without regard to the civil-service laws, the assistance and advice of persons in the United States and from abroad who are experts in the utilization and adaptation of new media and technology for educational purposes.

(20 U.S.C. 562) Enacted Sept. 2, 1958, P.L. 85–864, Title VII, sec. 762, 72 Stat. 1597; amended Oct. 16, 1968, P.L. 90–575, Title III, sec. 341, 82 Stat. 1058.

APPROPRIATIONS AUTHORIZED

Sec. 763. There are hereby authorized to be appropriated the sum of $3,000,000 for the fiscal year ending June 30, 1959, and the sum of $5,000,000 for each of the nine succeeding fiscal years for carrying out the provisions of this title.

(20 U.S.C. 563) Enacted Sept. 2, 1958, P.L. 85–864, Title VII, sec. 763, 72 Stat. 1597; amended Oct. 3, 1961, P.L. 87–344, Title II, sec. 206, 75 Stat. 760; amended Dec. 18, 1963, P.L. 88–210, sec. 27 (d), 77 Stat. 419; amended Oct. 16, 1964, P.L. 88–665, Title VII, sec. 701, 78 Stat. 1107.

Scientific Research

AN ACT To authorize the expenditure of funds through grants for support of scientific research, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the head of each agency of the Federal Government, authorized to enter into contracts for basic scientific research at nonprofit institutions of higher education, or at nonprofit organizations whose primary purpose is the conduct of scientific research, is hereby authorized, where it is deemed to be in furtherance of the objectives of the agency, to make grants to such institutions or organizations for the support of such basic scientific research.

(42 U.S.C. 1891) Enacted Sept. 6, 1958, P.L. 85–934, Sec. 1, 72 Stat. 1793.

Sec. 2. Authority to make grants or contracts for the conduct of basic or applied scientific research at nonprofit institutions of higher education, or at nonprofit organizations whose primary purpose is the conduct of scientific research, shall include discretionary authority, where it is deemed to be in furtherance of the objectives of the agency, to vest in such institutions or organizations, without further obligation to the Government, or on such other terms and conditions as the agency deems appropriate, title to equipment purchased with such grant or contract funds.

(42 U.S.C. 1892) Enacted Sept. 6, 1958, P.L. 85-934, Sec. 2, 72 Stat. 1793

SEC. 3. Each agency or department of the Federal Government exercising authority granted by this Act shall make an annual report on or before June 30th of each year to the appropriate committees of both Houses of Congress. Such report shall set forth therein, for the preceding year, the number of grants made pursuant to the authority provided in the first section of this Act, the dollar amount of such grants, and the institutions in which title to equipment was vested pursuant to section 2 of this Act.

(42 U.S.C. 1893) Enacted Sept. 6, 1958, P.L. 85-934, Sec. 3, 72 Stat. 1793

Environmental Education Act
(91-516)

AN ACT To authorize the United States Commissioner of Education to establish education programs to encourage understanding of policies, and support of activities, designed to enhance environmental quality and maintain ecological balance.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Environmental Education Act".

STATEMENT OF FINDINGS AND PURPOSE

SEC. 2. (a) The Congress of the United States finds that the deterioration of the quality of the Nation's environment and of its ecological balance poses a serious threat to the strength and vitality of the people of the Nation and is in part due to poor understanding of the Nation's environment and of the need for ecological balance; that presently there do not exist adequate resources for educating and informing citizens in these areas, and that concerted efforts in educating citizens about environmental quality and ecological balance are therefore necessary.

(b) It is the purpose of this Act to encourage and support the development of new and improved curricula to encourage understanding of policies, and support of activities designed to enhance environmental quality and maintain ecological balance; to demonstrate the use of such curricula in model educational programs and to evaluate the effectiveness thereof, to provide support for the initiation and maintenance of programs in environmental education at the elementary and secondary levels; to disseminate curricular materials and other information for use in educational programs throughout the Nation; to provide training programs for teachers, other educational personnel, public service personnel, and community, labor, and industrial and business leaders and employees, and government employees at State, Federal, and local levels; to provide for the planning of outdoor ecological study centers; to provide for community education programs on preserving and enhancing environmental quality and maintaining ecological balance; and to provide for the preparation and distribution of materials by mass media in dealing with the environment and ecology.

(20 U.S.C. 1531). Enacted Oct. 30, 1970, P.L. 91-516, sec. 2, 84 Stat. 1312.

ENVIRONMENTAL EDUCATION

SEC. 3. (a)(1) There is established, within the Office of Education, an office of environmental education (referred to in this section as the "office") which, under the supervision of the Commissioner, through regulations promulgated by the Secretary, shall be responsible for (A) the administration of the program authorized by subsection (b) and (B) the coordination of activities of the Office of Education which are related to environmental education. The office shall be headed by a Director who shall be compensated at a rate not to exceed that prescribed for grade GS–17 in section 5332 of title 5, United States Code.

(2) For the purposes of this Act, the term "environmental education" means the educational process dealing with man's relationship with his natural and manmade surroundings, and includes the relation of population, pollution, resource allocation and depletion, conservation, transportation, technology, and urban and rural planning to the total human environment.

(b)(1) The Commissioner shall carry out a program of making grants to, and contracts with, institutions of higher education, State and local educational agencies, regional educational research organizations, and other public and private agencies, organizations, and institutions (including libraries and museums) to support research, demonstration, and pilot projects designed to educate the public on the problems of environmental quality and ecological balance, except that no grant may be made other than to a nonprofit agency, organization or institution.

(2) Funds appropriated for grants and contracts under this section shall be available for such activities as—

(A) the development of curricula (including interdisciplinary curricula) in the preservation and enhancement of environmental quality and ecological balance;

(B) dissemination of information relating to such curricula and to environmental education, generally;

(C) in the case of grants to State and local educational agencies, for the support of environmental education programs at the elementary and secondary education levels;

(D) preservice and inservice training programs and projects (including fellowship programs, institutes, workshops, symposiums, and seminars) for educational personnel to prepare them to teach in subject matter areas associated with environmental quality and ecology, and for public service personnel, government employees, and business, labor, and industrial leaders and employees;

(E) planning of outdoor ecological study centers;

(F) community education programs on environmental quality, including special programs for adults; and

(G) preparation and distribution of materials suitable for use by the mass media in dealing with the environment and ecology.

In addition to the activities specified in the first sentence of this paragraph, such funds may be used for projects designed to demonstrate, test, and evaluate the effectiveness of any such activities, whether or not assisted under this section.

(3)(A) Financial assistance under this subsection may be made available only upon application to the Commissioner. Applications under this subsection shall be submitted at such time, in such form, and containing such information as the Secretary shall prescribe by regulation and shall be approved only if it—

(i) provides that the activities and services for which assistance is sought will be administered by, or under the supervision of, the applicant;

(ii) describes a program for carrying out one or more of the purposes set forth in the first sentence of paragraph (2) which holds promise of making a substantial contribution toward attaining the purposes of this section;

(iii) sets forth such policies and procedures as will insure adequate evaluation of the activities intended to be carried out under the application;

(iv) sets forth policies and procedures which assure that Federal funds made available under this Act for any fiscal year will be so used as to supplement and, to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be made available by the applicant for the purposes described in section 3, and in no case supplant such funds.

(v) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this title; and

(vi) provides for making an annual report and such other reports, in such form and containing such information, as the Commissioner may reasonably require and for keeping such records, and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(B) Applications from local educational agencies for financial assistance under this Act may be approved by the Commissioner only if the State educational agency has been notified of the application and been given the opportunity to offer recommendations.

(C) Amendments of applications shall, except as the Secretary may otherwise provide by or pursuant to regulation, be subject to approval in the same manner as original applications.

(4) Federal assistance to any program or project under this section, other than those involving curriculum development, dissemination of curricular materials, and evaluation, shall not exceed 80 per centum of the cost of such program for the first fiscal year of its operation, including costs of administration, unless the Commissioner determines, pursuant to regulations adopted and promulgated by the Secretary establishing objective criteria for such determinations, that assistance in excess of such percentages is required in furtherance of the purposes of this section. The Federal share for the second year shall not exceed 60 per centum, and for the third year 40 per centum. Non-Federal contributions may be in cash or kind, fairly evaluated, including but not limited to plant, equipment, and services.

(c)(1) There is hereby established an Advisory Council on Environmental Education consisting of twenty-one members appointed by the Secretary. The Secretary shall appoint one member as Chairman. The Council shall consist of persons appointed from the public and private sector with due regard to their fitness, knowledge, and experience in matters of, but not limited to, academic, scientific, medical, legal, resource conservation and production, urban and regional planning, and information media activities as they relate to our society and affect our environment, and shall give due consideration to geographical representation in the appointment of such members: *Provided, however*, That the Council shall consist of not less than three ecologists and three students.

(2) The Council shall—

(A) advise the Commissioner and the office concerning the administration of, preparation of general regulations for, and operation of programs assisted under this section;

(B) make recommendations to the office with respect to the allocation of funds appropriated pursuant to subsection (d) among the purposes set forth in paragraph (2) of subsection (b) and the criteria to be used in approving applications, which criteria shall insure an appropriate geographical distribution of approved programs and projects throughout the Nation;

(C) develop criteria for the review of applications and their disposition; and

(D) evaluate programs and projects assisted under this section and disseminate the results thereof.

(20 U.S.C. 1532) Enacted Oct. 30, 1970, P.L. 91-516, sec. 3, 84 Stat. 1312.

TECHNICAL ASSISTANCE

SEC. 4. The Secretary of Health, Education, and Welfare, in cooperation with the heads of other agencies with relevant jurisdiction, shall, insofar as practicable upon request, render technical assistance to local educational agencies, public and private nonprofit organizations, institutions of higher education, agencies of local, State, and Federal governments and other agencies deemed by the Secretary to play a role in preserving and enhancing environmental quality and maintaining ecological balance. The technical assistance shall be designed to enable the recipient agency to carry on education programs which are related to environmental quality and ecological balance.

(20 U.S.C. 1533) Enacted Oct. 30, 1970, P.L. 91-516, sec. 4, 84 Stat. 1315.

SMALL GRANTS

SEC. 5. (a) In addition to the grants authorized under section 3, the Commissioner, from the sums appropriated, shall have the authority to make grants, in sums not to exceed $10,000 annually, to nonprofit organizations such as citizens groups, volunteer organizations working in the environmental field, and other public and private nonprofit agencies, institutions, or organizations for conducting courses, workshops, seminars, symposiums, institutes, and conferences, especially for adults and community groups (other than the group funded).

(b) Priority shall be given to those proposals demonstrating innovative approaches to environmental education.

(c) For the purposes of this section, the Commissioner shall require evidence that the interested organization or group shall have been in existence one year prior to the submission of a proposal for Federal funds and that it shall submit an annual report on Federal funds expended.

(d) Proposals submitted by organizations and groups under this section shall be limited to the essential information required to evaluate them, unless the organization or group shall volunteer additional information.

(20 U.S.C. 1534) Enacted Oct. 30, 1970, P.L. 91–516, sec. 5, 84 Stat. 1315.

ADMINISTRATION

SEC. 6. In administering the provisions of this Act, the Commissioner is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public or private agency or institution in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement, as may be agreed upon. The Commissioner shall publish annually a list and description of projects supported under this Act and shall distribute such list and description to interested educational institutions, citizens' groups, conservation organizations, and other organizations and individuals involved in enhancing environmental quality and maintaining ecological balance.

(20 U.S.C. 1535) Enacted Oct. 30, 1970, P.L. 91–516, sec. 6, 84 Stat. 1315.

AUTHORIZATION

SEC. 7. There is authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1971, $15,000,000 for the fiscal year ending June 30, 1972, and $25,000,000 for the fiscal year ending June 30, 1973, for carrying out the purposes of this Act.

(20 U.S.C. 1536) Enacted Oct. 30, 1970, P.L. 91–516, sec. 7, 84 Stat. 1315.

LEGISLATIVE HISTORY

House Report: No. 91–1362 (Committee on Education and Labor).
Senate Report: No. 91–1164 (Committee on Labor and Public Welfare).
Congressional Record, volume 116 (1970):
August 3, considered and passed House.
September 21, considered and passed Senate, amended.
October 13, House concurred in Senate amendments with an amendment; Senate concurred in House amendment.
Approved: October 30, 1970.

PART V—EDUCATIONAL PERSONNEL TRAINING PROGRAMS

Higher Education Act of 1965

(P.L. 89–329)

* * * * * * *

Title V—Education Professions Development

PART A—GENERAL PROVISIONS

STATEMENT OF PURPOSE

SEC. 501. The purpose of this title is to improve the quality of teaching and to help meet critical shortages of adequately trained educational personnel by (1) developing information on the actual needs for educational personnel, both present and long range, (2) providing a broad range of high quality training and retraining opportunities, responsive to changing manpower needs; (3) attracting a greater number of qualified persons into the teaching profession; (4) attracting persons who can stimulate creativity in the arts and other skills to undertake short-term or long-term assignments in education; and (5) helping to make educational personnel training programs more responsive to the needs of the schools and colleges.

(20 U.S.C. 1091) Enacted June 29, 1967, P.L. 90–35, sec. 2(c), 81 Stat. 82.

NATIONAL ADVISORY COUNCIL ON EDUCATION PROFESSIONS DEVELOPMENT

SEC. 502. (a) The President shall, within ninety days after the enactment of this section, appoint a National Advisory Council on Education Professions Development (hereafter in this section referred to as the "Council") for the purpose of reviewing the operation of this title and of all other Federal programs for the training and development of educational personnel, and evaluating their effectiveness in meeting needs for additional educational personnel, and in achieving improved quality in training programs as evidenced in the competency of the persons receiving such training when entering positions in the field of education. The Council shall, in addition, advise the Secretary and the Commissioner with respect to policy matters arising in the administration of this title and any other matters, relating to the purposes of this title, on which their advice may be requested.

(b) The Council shall be appointed by the President, without regard to the civil service and classification laws, and shall consist of fifteen persons. The members, one of whom shall be designated by the President as Chairman, shall include persons broadly representative of the fields of education, the arts, the sciences, and the humanities, and of the general public, and a majority of them shall be engaged in teaching or in the education of teachers.

(c) The Council shall make an annual report of its findings and recommendations (including recommendations for changes in this title and other Federal laws relating to educational personnel training) to the President and the Congress not later than January 31 of each calendar year beginning after the enactment of this section. The President is requested to transmit to the Congress such comments and recommendations as he may have with respect to such report.

(f) There is authorized to be appropriated to carry out this section the sum of $100,000 for the fiscal year ending June 30, 1968, and the sum of $200,000 for each of the three succeeding fiscal years.

(20 U.S.C. 1091a) Enacted June 29, 1967, P.L. 90–35, sec. 2(c), 81 Stat. 82; subsections (d) and (e) repealed April 13, 1970, P.L. 91–230, sec. 401(h) and superseded by part C of title IV of P.L. 90–247, as amended; sec. 502(f) amended April 13, 1970, P.L. 91–230, 84 Stat. 190.

APPRAISING EDUCATION PERSONNEL NEEDS

SEC. 503. (a) The Commissioner shall from time to time appraise the Nation's existing and future personnel needs in the field of education, including preschool programs, elementary and secondary education, vocational and technical education, adult education, and higher education, and the adequacy of the Nation's efforts to meet these needs. In developing information relating to educational personnel needs, the Commissioner shall consult with, and make maximum utilization of statistical and other related information of, the Department of Labor, the National Science Foundation, the National Foundation on the Arts and the Humanities, State educational agencies, State employment security agencies, and other appropriate public and private agencies.

(b) The Commissioner shall prepare and publish annually a report on the education professions, in which he shall present in detail his views on the state of the education professions and the trends which he discerns with respect to the future complexion of programs of education throughout the Nation and the needs for well-educated personnel to staff such programs. The report shall indicate the Commissioner's plans concerning the allocation of Federal assistance under this title in relation to the plans and programs of other Federal agencies.

(20 U.S.C. 1091b) Enacted June 29, 1967, P.L. 90–35, sec. 2(c), 81 Stat. 83.

ATTRACTING QUALIFIED PERSONS TO THE FIELD OF EDUCATION

SEC. 504. (a) The Commissioner is authorized to make grants to, or contracts with, State or local educational agencies, institutions of higher education, or other public or nonprofit agencies, organizations, or institutions, and he is authorized to enter into contracts with private agencies, institutions, or organizations when he, after consultation with the National Advisory Council on Education Professions Development, considers such contract will make an especially significant contribution to attaining the objectives of this section, for the purpose of—

(1) identifying capable youth in secondary schools who may be interested in careers in education and encouraging them to

pursue postsecondary education in preparation for such careers;

(2) publicizing available opportunities for careers in the field of education;

(3) encouraging qualified persons to enter or reenter the field of education; or

(4) encouraging artists, craftsmen, artisans, scientists, and persons from other professions and vocations, and homemakers to undertaking teaching or related assignments on a part-time basis or for temporary periods.

(b) There is authorized to be appropriated to carry out this section the sum of $2,500,000 for the fiscal year ending June 30, 1969, and the sum of $5,000,000 for each of the succeeding fiscal years ending prior to July 1, 1971.

(20 U.S.C. 1091c) Enacted June 29, 1967, P.L. 90–35, sec. 2(c), 81 Stat. 83; amended Oct. 16, 1968, P.L. 90–575, Title II, sec. 231, 82 Stat. 1039.

CONSULTATION

Sec. 505. In the development and review of grant and contract programs under this title the Commissioner shall consult with the National Science Foundation and the National Foundation on the Arts and the Humanities to promote coordinated planning of programs to train educational personnel.

(20 U.S.C. 1091d) Enacted June 29, 1967, P.L. 90–35, sec. 2(c), 81 Stat. 84.

TRANSFER OF FUNDS

Sec. 506. In addition to the authority for utilization of other agencies conferred by section 803(b)[1] of this Act, funds available to the Commissioner for grants or contracts under this title shall, with the approval of the Secretary, be available for transfer to any other Federal agency for use (in accordance with an interagency agreement) by such agency (alone or in combination with funds of that agency) for purposes for which such transferred funds could be otherwise expended by the Commissioner under the provisions of this title, and the Commissioner is likewise authorized to accept and expend funds of any other Federal agency for use under this title.

(20 U.S.C. 1091e) Enacted June 29, 1967, P.L. 90–35, sec. 2(c), 81 Stat. 84.

EXPERTS AND CONSULTANTS

Sec. 507. The Commissioner may employ experts and consultants, as authorized by section 3109 of title 5, United States Code, to advise him with respect to the making of grants and contracts and the approving of programs under this title. Experts and consultants employed pursuant to this section may be compensated while so employed at rates not in excess of $100 per day (or, if higher, the rate specified at the time of such service for grade GS-18 in section 5332 of title 5, United States Code), including traveltime, and, while so serving away from their homes or regular places of business, may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons in the Government service employed intermittently.

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[1] Sec. 803, which was sec. 1203, is repealed by P.L. 91–230 and replaced by sec. 411(b) of the General Provisions Act (20 U.S.C. 1231(b))

(20 U.S.C. 1091f) Enacted June 29, 1967, P.L. 90-35, sec. 2(c), 81 Stat. 84.

LIMITATION

Sec. 508. Nothing contained in this title shall be construed to authorize the making of any payment under this title for religious worship or instruction or training for a religious vocation or to teach theological subjects.

(20 U.S.C. 1092) Enacted Nov. 8, 1965, P.L. 89-329, Title V, sec. 502, 79 Stat. 1255; redesignated and amended June 29, 1967, P.L. 90-35, secs. 2([illegible], 7, 81 Stat. 82, 93.

SHORT TITLE

Sec. 509. This title may be cited as the "Education Professions Development Act".

Enacted June 29, 1967, P.L. 90-35, sec. 8, 81 Stat. 93.

Part B—Attracting and Qualifying Teachers

Subpart 1—Teacher Corps

STATEMENT OF PURPOSE AND AUTHORIZATION OF APPROPRIATIONS

Sec. 511. (a) The purpose of this subpart is to strengthen the educational opportunities available to children in areas having concentrations of low-income families and to encourage colleges and universities to broaden their programs of teacher preparation by—

(1) attracting and training qualified teachers who will be made available to local educational agencies for teaching in such areas;

(2) attracting and training inexperienced teacher-interns who will be made available for teaching and inservice training to local educational agencies in such areas in teams led by an experienced teacher;

(3) attracting volunteers to serve as part-time tutors or full-time instructional assistants in programs carried out by local educational agencies and institutions of higher education serving such areas; and

(4) attracting and training educational personnel to provide relevant remedial, basic, and secondary educational training, including literacy and communications skills, for juvenile delinquents, youth offenders, and adult criminal offenders.

(b) For the purpose of carrying out this subpart, there are authorized to be appropriated $36,100,000 for the fiscal year ending June 30, 1966, $64,715,000 for the fiscal year ending June 30, 1967, $33,000,000 for the fiscal year ending June 30, 1968, $46,000,000 for the fiscal year ending June 30, 1969, $80,000,000 for the fiscal year ending June 30, 1970, and $100,000,000 for the fiscal year ending June 30, 1971, respectively; and there are further authorized to be appropriated such sums for the fiscal year ending June 30, 1972, as may be necessary to enable any teacher-intern who has not completed his program of practical and academic training to continue such program for a period of not more than one additional year.

(20 U.S.C. 1101) Enacted Nov. 8, 1965, P.L. 89–329, Title V, sec. 511, 79 Stat. 1255; amended June 29, 1967, P.L. 90–35, sec. 3(b), 81 Stat. 85; amended Oct. 16. 1968, P.L. 90–575, Title II, sec. 231, 82 Stat. 1039; amended April 13, 1970, P.L. 91–230, sec. 804(b)(1)(2), 84 Stat. 190; and futher amended April 13, 1970, P.L. 91–230, sec. 805(a), 84 Stat. 191.

ESTABLISHMENT OF TEACHER CORPS

SEC. 512. In order to carry out the purposes of this subpart, there is hereby established in the Office of Education a Teacher Corps. The Teacher Corps shall be headed by a Director who shall be compensated at the rate prescribed for grade 17 of the General Schedule of the Classification Act of 1949, and a Deputy Director who shall be compensated at the rate prescribed for grade 16 of such General Schedule. The Director and the Deputy Director shall perform such duties as are delegated to them by the Commissioner.

(20 U.S.C. 1102) Enacted Nov. 8, 1965, P.L. 89–329, Title V, sec. 512, 79 Stat. 1255; amended June 29, 1967, P.L. 90–35, sec. 3(a), (3), (4), 81 Stat. 85.

TEACHER CORPS PROGRAM

SEC. 513. (a) For the purpose of carrying out this subpart, the Commissioner is authorized to—

(1) enter into contracts or other arrangements with institutions of higher education or local educational agencies under which they will recruit, select, and enroll in the Teacher Corps for periods of up to two years, experienced teachers, persons who have a bachelor's degree or its equivalent, and persons who have successfully completed two years of a program for which credit is given toward a baccalaureate degree and, for such periods as the Commission may prescribe by regulation, persons who volunteer to serve as part-time tutors or full-time instructional assistants.

(2) enter into arrangements, through grants or contracts, with institutions of higher education or local educational agencies (upon approval in either case by the appropriate State educational agency) or with State educational agencies to provide members of the Teacher Corps with such training as the Commissioner may deem appropriate to carry out the purpose of this subpart, including not more than three months of training for members before they undertake their teaching duties under this subpart;

(3) enter into arrangements (including the payment of the cost of such arrangements) with local educational agencies upon approval by the appropriate State educational agency and, after consultation in appropriate cases with institutions of higher education, to furnish to local educational agencies, for service during regular or summer sessions, or both, in the schools of such agencies in areas having concentrations of children from low-income families, teaching teams, each of which shall consist of an experienced teacher and a number of teacher-interns who, in addition to teaching duties, shall be afforded time by the local educational agency for a teacher-intern training program carried out under the guidance of an experienced teacher in cooperation with an institution of higher education;

(4) pay to local educational agencies such part of the amount of the compensation which such agencies pay to or on behalf of members of the Teacher Corps assigned to them pursuant to arrangements made pursuant to the preceding clause as may be agreed upon after consideration of their ability to pay such compensation, but not in excess of 90 per centum thereof, except that, in exceptional cases, the Commissioner may provide more than 90 per centum of such compensation during the first year of any agency's participation in the program;

(5) enter into contracts or other arrangements with local educational agencies or institutions of higher education, upon approval by the appropriate State educational agency, under which provisions (including payment of the cost of such arrangements) will be made (A) to carry out programs serving disadvantaged areas in which volunteers (including high school and college students) serve as part-time tutors or full-time instructional assistants in teams with other Teacher Corps members, under the guidance of experienced teachers, but not in excess of 90 per centum of the cost of compensation for such tutors and instructional assistants may be paid from Federal funds, and (B) to provide appropriate training to prepare tutors and instructional assistants for service in such programs;

(6) enter into arrangements, through grants or contracts, with State and local educational agencies, and with institutions of higher education, and such other agencies or institutions approved by the Commissioner according to criteria which shall be established by him to carry out the purposes of this paragraph, under which provisions (including payment of the cost of such arrangements) will be made to furnish to such agencies members of the Teacher Corps to carry out projects designed to meet the special educational needs of juvenile delinquents, youth offenders, and adult criminal offenders, and persons who have been determined by a State or local educational agency, court of law, law enforcement agency, or any other State or local public agency to be predelinquent juveniles, but not in excess of 90 per centum of the cost of compensation for Teacher Corps members serving in such projects may be paid from Federal funds;

(7) make available technical assistance to local educational agencies and institutions of higher education for carrying out arrangements entered into under clause (1);

(8) acquaint qualified persons of teaching opportunities and needs in disadvantaged areas and encourage qualified persons to apply to appropriate educational agencies or institutions for enrollment in the Teacher Corps; and

(9) accept and employ in the furtherance of the purposes of this subpart (A) voluntary and uncompensated services notwithstanding the provisions of section 3679(b) of the Revised Statutes, as amended (31 U.S.C. 665(b)), and (B) any money or property (real, personal, or mixed, tangible or intangible) received by gift, devise, bequest, or otherwise.

(b) Arrangements with institutions of higher education to provide training for teacher-interns while teaching in schools for local educational agencies under the provisions of this subpart shall provide, wherever possible, for training leading to an appropriate degree.

(c) (1) Whenever the Commissioner determines that the demand for the services of members of the Teacher Corps exceeds the number available, he shall, to the extent practicable, allocate the number of members of the Teacher Corps who are available among the States in accordance with paragraph (2).

(2) Not to exceed 3 per centum of the number of members of the Teacher Corps who are available shall be allocated to Puerto Rico and the Virgin Islands and not to exceed 5 per centum of such members shall be allocated to the elementary and secondary schools operated for Indian chidren by the Department of Interior, according to their respective needs. The remainder of such number of Teacher Corps members shall be allocated among the States so that the number of members available to any State shall bear the same ratio to the number being allocated as the number of children enrolled in the public and private elementary and secondary schools of that State bears to the total number of children so enrolled in such schools in all of the States. The number of children so enrolled shall be determined by the Commissioner on the basis of the most recent satisfactory data available to him. For purposes of this subsection, the term "State" shall not include Puerto Rico or the Virgin Islands.

(3) If the Commissioner determines that a State will not require the number of Teacher Corps members allocated to it under paragraph (2), he shall, from time to time, reallot the number not required, on such dates as he may fix, to other States in proportion to the original allocation to such States under paragraph (2), but with such proportionate number for any of such other States being reduced to the extent it exceeds the number the Commissioner determines such State needs and will be able to use for such year; and the total of such reductions shall be similarly reallocated among the States whose proportionate numbers were not so reduced.

(d) A local educational agency may utilize members of the Teacher Corps assigned to it in providing, in the manner described in section 205(a)(2) of Public Law 874, Eighty-first Congress, as amended, educational services in which children enrolled in private elementary and secondary schools can participate.

(20 U.S.C. 1103) Enacted Nov. 8, 1965, P.L. 89–329, Title V, sec. 513, 79 Stat. 1256; amended June 29, 1967, P.L. 90–35, sec. 9(a), (c), (f), 81 Stat. 85, 86; sec. 513(c)(2) amended Apr. 13, 1970, P.L. 91–230, sec. 803, 84 Stat. 190; sec. 513(a) amended Apr. 13, 1970. P.L. 91–230, sec. 804(c), 84 Stat. 190; and further amended Apr. 13, 1970, P.L. 91–230, sec. 805(b), 84 Stat. 191.

COMPENSATION

SEC. 514. (a) An arrangement made with a local educational agency pursuant to paragraph (3) of section 513(a), or arrangement with a local educational agency or institution of higher education pursuant to paragraph (5) of sec. 513(a), or an arrangement with any agency pursuant to paragraph (6) of section 513(a), shall provide for compensation by such agency of Teacher Corps members during the period of their assignment to it at the following rates:

(1) an experienced teacher who is leading a teaching team shall be compensated at a rate agreed to by such agency and the Commissioner;

(2) a teacher-intern shall be compensated at a rate which does not exceed the lowest rate paid by such agency for teaching full time in the school system and grade to which the intern is assigned, or $90 per week plus $15 per week for each dependent, whichever is less; and

(3) tutors and instructional assistants shall be compensated at such rates as the Commissioner may determine to be consistent with prevailing practices under comparable federally supported work-study programs.

(b) For any period of training under this part the Commissioner shall pay to members of the Teacher Corps such stipends (including allowances for subsistence and other expenses for such members and their dependents) as he may determine to be consistent with prevailing practices under comparable federally supported training programs.

(c) The Commissioner shall pay the necessary travel expenses of members of the Teacher Corps and their dependents and necessary expenses for the transportation of the household goods and personal effects of such members and their dependents, and such other necessary expenses of members as are directly related to their services in the Corps, including readjustment allowances proportionate to service.

(d) The Commissioner is authorized to make such arrangements as may be possible, including the payment of any costs incident thereto, to protect the tenure, retirement rights, participation in a medical insurance program, and such other similar employee benefits as the Commissioner deems appropriate, of a member of the Teacher Corps who participates in any program under this subpart and who indicates his intention to return to the local educational agency or institution of higher education by which he was employed immediately prior to his service under this subpart.

(e) The Commissioner is authorized to provide medical (including hospitalization) insurance for members of the Teacher Corps who do not otherwise obtain such insurance coverage either under an arrangement made pursuant to subsection (d) of this section or as an incident of an arrangement between the Commissioner and an institution or a State or local educational agency pursuant to section 513.

(20 U.S.C. 1104) Enacted Nov. 8, 1965, P.L. 89–329, Title V, sec. 514, 79 Stat. 1257; amended June 29, 1967, P.L. 90–35, sec. 3(a), (g), 81 Stat. 85, 86; amended Oct. 16, 1968, P.L. 90–575, Title II, sec. 232, 82 Stat. 1039; amended Apr. 13, 1970, P.L. 91–230, sec. 804, 84 Stat. 191, and further amended Apr. 13, 1970, P.L. 91–230, sec. 805, 84 Stat. 192.

APPLICATION OF PROVISIONS OF FEDERAL LAW

SEC. 515. (a) Except as otherwise specifically provided in this section, a member of the Teacher Corps shall be deemed not to be a Federal employee and shall not be subject to the provisions of laws relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employee benefits.

(NOTE.—Subsection (b) was repealed by P.L. 90–83.)

(c) Such members shall be deemed to be employees of the Government for the purposes of the Federal tort claims provisions of title 28, United States Code.

(d) Members of the Teacher Corps shall not be eligible to receive payment of a student loan under title II of the National Defense Education Act of 1958 or of an educational opportunity grant under title IV of this Act.

(20 U.S.C. 1105) Enacted Nov. 8, 1965, P.L. 89-329, Title V. sec. 515, 79 Stat. 1257; amended June 29, 1967, P.L. 90-35, sec. 3(h), 81 Stat. 87; amended Sept. 11, 1967, P.L. 90-83, sec. 10(b), 81 Stat. 223.

LOCAL CONTROL PRESERVED

SEC. 516. Members of the Teacher Corps shall be under the direct supervision of the appropriate officials of the local educational agencies to which they are assigned. Except as otherwise provided in clause (3) of section 513(a), such agencies shall retain the authority to—

(1) assign such members within their systems;
(2) make transfers within their systems;
(3) determine the subject matter to be taught;
(4) determine the terms and continuance of the assignment of such members within their systems.

(20 U.S.C. 1106) Enacted Nov. 8, 1965, P.L. 89-329, Title V, sec. 516, 79 Stat. 1258.

MAINTENANCE OF EFFORT

SEC. 517. No member of the Teacher Corps shall be furnished to any local educational agency under the provisions of this subpart if such agency will use such member to replace any teacher who is or would otherwise be employed by such agency.

(20 U.S.C. 1107) Enacted Nov. 8, 1965, P.L. 89-329, Title V, sec. 517, 79 Stat. 1258.

TEACHING CHILDREN OF MIGRATORY AGRICULTURAL WORKERS

SEC. 517A. For purposes of this part the term "local educational agency" includes any State educational agency or other public or private nonprofit agency which provides a program or project designed to meet the special educational needs of migratory children of migratory agricultural workers, and any reference in this part to (1) teaching in the schools of a local educational agency includes teaching in any such program or project and (2) "migratory children of migratory argicultural workers" shall be deemed to continue to refer to such children for a period, not in excess of five years, during which they reside in the area served by the local educational agency.

(20 U.S.C. 1107a) Enacted June 29, 1967, P.L. 90-35, sec. 3(i), 81 Stat. 87.

SUBPART 2—ATTRACTING AND QUALIFYING TEACHERS TO MEET CRITICAL TEACHER SHORTAGES

APPROPRIATIONS AUTHORIZED

SEC. 518. (a) The Commissioner shall carry out during the fiscal year ending June 30, 1969, and the succeeding fiscal year, a program for making grants to States to enable them to support the efforts of local communities experiencing critical teacher shortages, or the efforts of State educational agencies, to (1) attract to teaching persons in the community who have been otherwise engaged and to provide them, through short-term intensive training programs and subsequent in-service training, with the qualifications necessary for a successful career in teaching, and (2) obtain the services of teacher aides and provide them with the necessary training with a view to increasing the effectiveness of classroom teachers.

(b) For the purpose of making grants under this subpart, there are hereby authorized to be appropriated the sum of $50,000,000 for the fiscal year ending June 30, 1969, and $65,000,000 for each of the succeeding fiscal years ending prior to July 1, 1971.

(20 U.S.C. 1108) Enacted June 29, 1967, P.L. 90–35, sec. 4, 81 Stat. 87; amended Oct. 16, 1968, P.L. 90–575, Title II, secs. 231, 233, 82 Stat. 1039.

ALLOTMENT TO STATES

SEC. 519. (a) From the sums appropriated pursuant to section 518 (a), the Commissioner shall reserve such amount, but not in excess of 3 per centum thereof, as he may determine and shall allot such amount among Puerto Rico, Guam, American Samoa, the Virgin Islands, the Canal Zone, and the Trust Territory of the Pacific Islands according to their respective needs for assistance under this subpart. From the remainder of such sums, the Commissioner shall apportion $100,000 to each State, and shall then apportion to each State such part of the amount remaining which bears the same ratio to the total of such amount as the number of children enrolled in the public and private elementary and secondary schools of that State bears to the total number of children so enrolled in such schools in all of the States. The number of children so enrolled shall be determined by the Commissioner on the basis of the most recent satisfactory data available to him. For purposes of this subsection, the term "State" shall not include the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, the Canal Zone, and the Trust Territory of the Pacific Islands.

(b) The amount of any State's allotment under subsection (a) for any fiscal year which the Commissioner determines will not be required for such fiscal year shall be available for reallotment from time to time, on such dates during such year as the Commissioner may fix, to other States in proportion to the original allotments to such States under subsection (a) for that year but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Commissioner estimates such State needs and will be able to use for such year; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amounts reallotted to a State under this subsection during a year from funds appropriated pursuant to section 519 shall be deemed part of its allotment under subsection (a) for such year.

(20 U.S.C. 1109) Enacted June 29, 1967, P.L. 90–35, sec. 4, 81 Stat. 88; amended Oct. 16, 1968, P.L. 90–575, Title I, sec. 234, 82 Stat.1039.

STATE PLANS

SEC. 520. (a) Any State which desires to receive grants under this subpart shall submit to the Commissioner, through its State educational agency, a State plan, in such detail as the Commissioner deems necessary, which—

(1) designates the State educational agency as the sole State agency for administration of the State plan;

(2) sets forth a program under which funds paid to the State from its allotment under section 519 will be expended solely for (A) programs of local educational agencies or of the State educational agency, or both, to attract to teaching, persons in the community who have been otherwise engaged and to provide short-term intensive training and subsequent in-service training to qualify such persons for teaching, (B) programs of such agencies to obtain the services of teacher aides and to provide them with the preservice or in-service training they need to perform their duties as teacher aides, and (C) administration of the State plan, except that the amount used for administration of the State plan for any fiscal year shall not exceed an amount equal to 3 per centum of the amount paid to the State under this subpart for that year;

(3) with respect to so much of the State program as is to be carried out by local educational agencies, (A) provides assurance that every local educational agency whose application for funds under the plan is denied will be given an opportunity for a fair hearing before the State educational agency and (B) sets forth the policies and procedures to be followed in allocating Federal funds to local educational agencies in the State, which policies and procedures shall insure that such funds will be allocated to local educational agencies having the most urgent need for teachers and teacher aides;

(4) provides that training under a program described in paragraph (2)(A) will be provided only to persons who will, upon completion of their short-term training, have the qualifications for teaching in elementary or secondary schools in the community, and that training under a program described in paragraph (2)(B) will be provided only to persons who show promise of being able with appropriate training to serve competently as a teacher aide;

(5) provides assurances that not more than one-third of the sums expended under this Act will be used to support programs described in paragraph (2)(B);

(6) provides assurance that no person will be denied admission to training programs carried on under this subpart because he is preparing to teach or serve as a teacher aide in a private school;

(7) sets forth policies and procedures designed to assure that Federal funds made available under this subpart for any fiscal year will be so used as to supplement, and not supplant, funds which are available from State or local sources for purposes for which grants may be made under this subpart;

(8) sets forth such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the State (including any such funds paid by the State to any other public agency) under this subpart; and

(9) provides for making such reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this subpart, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(b) The Commissioner shall approve any State plan and any modification thereof which complies with the provisions of subsection (a).

(20 U.S.C. 1110) Enacted June 29, 1967, P.L. 90–35, sec. 4, 81 Stat. 88; amended Oct. 16, 1968, P.L. 90–575, Title II, sec. 233, 82 Stat. 1039.

PAYMENTS TO STATES

Sec. 520A. From the amounts allotted to each State under section 519 the Commissioner shall pay to that State an amount equal to the amount expended by the State in carrying out its State plan. Such payments may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

(20 U.S.C. 1110a) Enacted June 29, 1967, P.L. 90–35, sec. 4, 81 Stat. 89.

ADMINISTRATION OF STATE PLANS

Sec. 520B. (a) The Commissioner shall not finally disapprove any State plan submitted under this subpart or any modification thereof, without first affording the State educational agency reasonable notice and opportunity for a hearing.

(b) Whenever the Commissioner, after reasonable notice and opportunity for hearing to such State agency, finds—

(1) that the State plan has been so changed that it no longer complies with the provisions of section 520(a), or

(2) that in the administration of the plan there is a failure to comply substantially with any such provisions,

the Commissioner shall notify such State agency that the State will not be regarded as eligible to participate in the program under this subpart until he is satisfied that there is no longer any such failure to comply.

(20 U.S.C. 1110b) Enacted June 29, 1967, P.L. 90–35, sec. 4, 81 Stat. 89.

JUDICIAL REVIEW

Sec. 520C. (a) If any State is dissatisfied with the Commissioner's final action with respect to the approval of its State plan submitted under section 520(a) or with his final action under section 520B (b), such State may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

(b) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(c) The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(20 U.S.C. 1110c) Enacted June 29, 1967, P.L. 90-35, sec. 4, 81 Stat. 90.

PART C—FELLOWSHIPS FOR TEACHERS AND RELATED EDUCATIONAL PERSONNEL

STATEMENT OF PURPOSE

SEC. 521. The Congress hereby declares it to be the policy of the United States to improve the quality of education offered by the schools of the Nation by improving the quality of the education of persons who are pursuing or who plan to pursue a career in elementary and secondary education or post-secondary vocational education. The purpose of this part is to carry out this policy by awarding fellowships for graduate study at institutions of higher education and by developing or strengthening programs for the education of teachers and related educational personnel in institutions of higher education. For the purposes of this part the term "elementary and secondary education" includes preschool and adult and vocational education, and the term "career in elementary and secondary education or postsecondary vocational education" means a career of teaching in elementary or secondary schools (including teaching in preschool and adult and vocational education programs, and including teaching children of limited English-speaking ability) or in postsecondary vocational schools, a career of teaching, guiding, or supervising such teachers or persons who plan to become such teachers, a career in the administration of such schools or a career in fields which are directly related to teaching in such schools, such as library science, school social work, guidance and counseling, educational media (including educational and instructional television and radio), child development, and special education for handicapped children; and for gifted and talented children.

(20 U.S.C. 1111) Enacted Nov. 8, 1965, P.L. 89-329, Title V, sec. 521, 79 Stat. 1258; amended June 29, 1967, P.L. 90-35, sec. 5(b), 81 Stat. 90; amended Jan. 2, 1968, P.L. 90-247, Title VII, sec. 704(a), 81 Stat. 820; amended Oct. 16, 1968, P.L. 90-575, Title II, sec. 235, 82 Stat. 1040; amended Apr. 13, 1970, 91-230, sec. 806(a), 84 Stat. 192.

FELLOWSHIPS AUTHORIZED

Sec. 522. The Commissioner is authorized to award fellowships in accordance with the provisions of this part for graduate study leading to an advanced degree for persons who are pursuing or plan to pursue a career in elementary and secondary education or postsecondary vocational education.

(20 U.S.C. 1112) Enacted Nov. 8, 1965, P.L. 89–329, Title V, sec. 522, 79 Stat. 1258; amended June 29, 1967, P.L. 90–35, sec. 5(b), 81 Stat. 91; amended Jan. 2, 1968, P.L. 90–247, Title VII, sec. 704(b), 81 Stat. 820.

ALLOCATION OF FELLOWSHIPS

Sec. 523. The Commissioner shall allocate fellowships under this part to institutions of higher education with programs approved under the provisions of section 524(a) of this title for the use of individuals accepted into such programs, in such manner and according to such plan as will most nearly—

(1) provide an equitable distribution of such fellowships throughout the States, taking into account such factors as the number of children in each State who are aged three to seventeen and the undergraduate student enrollment in institutions of higher education in each State, except that to the extent that the National Advisory Council on Education Professions Development determines that an urgent need for a certain category of educational personnel is unlikely to be met without preference in favor of such a category over other categories of educational personnel, the Commissioner may give preference to programs designed to meet that need, but in no case shall such preferred programs constitute more than 50 per centum of the total number of fellowships awarded in any fiscal year, and

(2) encourage experienced teachers in elementary or secondary schools or postsecondary vocational schools and other experienced personnel in elementary or secondary education or postsecondary vocational education to enter graduate programs, attract recent college graduates to pursue a career in elementary and secondary education or postsecondary vocational education, and afford opportunities for college graduates engaged in other occupations or activities to pursue or return to a career in elementary and secondary education or postsecondary vocational education.

(20 U.S.C. 1113) Enacted Nov. 8, 1965, P.L. 89–329, Title V, sec. 523, 79 Stat. 1259; amended June 29, 1967, P.L. 90–35, sec. 5(d), 81 Stat. 91; amended Oct. 16, 1968, P.L. 90–575, Title II, sec. 236, 82 Stat. 1040.

APPROVAL OF PROGRAMS; GRANTS

Sec. 524. (a) The Commissioner shall approve a graduate program of an institution of higher education only upon application by the institution and only upon his finding—

(1) that such program will substantially further the objective of improving the quality of education of persons who are pursuing or intend to pursue a career in elementary and secondary education or postsecondary vocational education,

(2) that such program gives emphasis to high-quality substantive courses,

(3) that such program is of high quality and either is in effect or readily attainable, and

(4) that only persons who demonstrate a serious intent to pursue or to continue a career in elementary and secondary education or postsecondary vocational education will be accepted for study in the program.

(b) For the purpose of obtaining an appropriate geographical distribution of high-quality programs for the training of personnel for elementary or secondary education, the Commissioner is authorized to make grants to and contracts with institutions of higher education to pay part of the cost of developing or strengthening graduate programs which meet or, as a result of the assistance received under this subsection will be enabled to meet, the requirements of subsection (a).

(20 U.S.C. 1114) Enacted Nov. 8, 1965, P.L. 89–329, Title V, sec. 524, 79 Stat. 1259; amended June 29, 1967, P.L. 90–35, sec. 5(e), 81 Stat. 91; amended Oct. 16, 1968, Title II, sec. 237, 82 Stat. 1040.

STIPENDS

SEC. 525. (a) The Commissioner shall pay to persons awarded fellowships under this part such stipends (including such allowances for subsistence and other expenses for such persons and their dependents) as he may determine to be consistent with prevailing practices under comparable federally supported programs.

(b) The Commissioner shall (in addition to the stipends paid to persons under subsection (a)) pay to the institution of higher education at which such person is pursuing his course of study such amount as the Commissioner may determine to be consistent with prevailing practices under comparable federally supported programs, except that such amount shall not exceed $3,500 per academic year for each such person.

(20 U.S.C. 1115) Enacted Nov. 8, 1965, P.L. 89–329, Title V, sec. 525, 79 Stat. 1260; amended June 29, 1967, P.L. 90–35, sec. 5(f), 81 Stat. 91; amended Oct. 16, 1968, P.L. 90–575, Title II, sec. 238, 82 Stat. 1040.

LIMITATION

SEC. 526. No fellowships shall be awarded under this part for study at a school or department of divinity. For the purposes of this section, the term "school or department of divinity" means an institution or department or branch of an institution whose program is specifically for the education of students to prepare them to become ministers of religion or to enter upon some other religious vocation or to prepare them to teach theological subjects.

(20 U.S.C. 1116) Enacted Nov. 8, 1965, P.L. 89–329, Title V, sec. 526, 79 Stat. 1260.

FELLOWSHIP CONDITIONS

SEC. 527. A person awarded a fellowship under the provisions of this part shall continue to receive the payments provided in section 525(a) only during such periods as the Commissioner finds that he is maintaining satisfactory proficiency and devoting full time to study or research in the field in which such fellowship was awarded in an institution of higher education, and is not engaging in gainful employment other than such part-time employment in teaching, research, or similar activities related to his training as has been approved by the Commissioner.

(20 U.S.C. 1117) Enacted Nov. 8, 1965, P.L. 89–329, Title V, sec. 527, 79 Stat. 1260.

APPROPRIATIONS

SEC. 528. There are hereby authorized to be appropriated to carry out this part $40,000,000 for the fiscal year ending June 30, 1966, $160,000,000 for the fiscal year ending June 30, 1967, $285,000,000 for the fiscal year ending June 30, 1968, $205,000,000 for the fiscal year ending June 30, 1969, and $250,000,000 for each of the succeeding fiscal years ending prior to July 1, 1971; and such sums for the two succeeding fiscal years as may be necessary to enable persons who have been awarded fellowships prior to July 1, 1971, to complete their study under the fellowships.

(20 U.S.C. 1118) Enacted Nov. 8, 1965, P.L. 89–329, Title V, sec. 528, 79 Stat. 1260; amended June 29, 1967, P.L. 90–35, sec. 5(g), 81 Stat. 91; amended Jan. 2, 1968, P.L. 90–247, Title VII, sec. 704(C)(1), 81 Stat. 820; amended Oct. 16, 1968, P.L. 90–575, Title II, sec. 231, 82 Stat. 1039.

PART D—IMPROVING TRAINING OPPORTUNITIES FOR PERSONNEL SERVING IN PROGRAMS OF EDUCATION OTHER THAN HIGHER EDUCATION

ADVANCED TRAINING AND RETRAINING

SEC. 531. (a) The Commissioner is authorized to make grants to, or contracts with, institutions of higher education and State educational agencies, and to make grants to, or contracts with, local educational agencies if, after consultation with the State educational agency, such State agency is satisfied that the program or project will be coordinated with programs carried on under part B, for carrying out programs or projects to improve the qualifications of persons who are serving or preparing to serve in educational programs in elementary and secondary schools (including preschool and adult and vocational education programs) or postsecondary vocational schools or to supervise or train persons so serving.

(b) Programs or projects under this section may include, among others—

(1) programs or projects to train or retrain teachers, or supervisors or trainers of teachers, in any subject generally taught in the schools;

(2) programs or projects to train or retrain other educational personnel in such fields as guidance and counseling (including occupational counseling), school social work, child psychology, remedial speech and reading, child development, and educational media (including educational or instructional television or radio);

(3) programs or projects to train teacher aides and other nonprofessional educational personnel;

(4) programs or projects to provide training and preparation

for persons participating in educational programs for children of preschool age;

(5) programs or projects to prepare teachers and other educational personnel to meet the special needs of the socially, culturally, and economically disadvantaged;

(6) programs or projects to prepare teachers and other educational personnel to meet the special needs of exceptionally gifted students;

(7) programs or projects to train or retrain persons engaging in programs of special education for the handicapped;

(8) programs or projects to train or retrain persons engaging in special educational programs for children of limited English-speaking ability;

(9) programs or projects to provide inservice and other training and preparation for school administrators;

(10) programs or projects to prepare artists, craftsmen, scientists, artisans, or persons from other professions or vocations, or homemakers to teach or otherwise assist in programs or projects of education on a long-term, short-term, or part-time basis.

(c) Grants or contracts under this section may provide for use of funds received thereunder only to pay the cost of—

(1) short-term or regular-session institutes; or

(2) other preservice and inservice training programs or projects designed to improve the qualifications of persons entering and reentering the field of elementary and secondary education or postsecondary vocational education, except that funds may not be used for seminars, symposia, workshops or conferences unless these are part of a continuing program of inservice or preservice training.

(d) The Commissioner may include in the terms of any grant or contract under this section provisions authorizing the payment, to persons participating in training programs supported under this section, of such stipends (including allowances for subsistence and other expenses for such persons and their dependents) as he may determine, which shall be consistent with prevailing practices under comparable federally supported programs.

(20 U.S.C. 1119) Enacted June 29, 1967, P.L. 90–35, sec. 6, 81 Stat. 91.

APPROPRIATIONS AUTHORIZED

SEC. 532. There is authorized to be appropriated to carry out this part the sum of $70,000,000 for the fiscal year ending June 30, 1969, and the sum of $90,000,000 for each of the succeeding fiscal years ending prior to July 1, 1971.

(20 U.S.C. 1119a) Enacted June 29, 1967, P.L. 90–35, sec. 6, 81 Stat. 92; amended Oct. 16, 1968, P.L. 90–575, Title II, sec. 231, 82 Stat. 1039.

DISTRIBUTION OF TRAINING PROGRAMS

SEC. 533. In making grants and contracts for programs and projects under this part, the Commissioner shall seek to achieve an equitable geographical distribution of training opportunities throughout the Nation, taking into account the number of children in each State who are aged three to seventeen.

(20 U.S.C. 1119a-1) Enacted Oct. 16, 1968, P.L. 90-575, Title II, sec. 239, 82 Stat. 1040-1041.

PART E—TRAINING PROGRAMS FOR HIGHER EDUCATION PERSONNEL

PROGRAMS AND PROJECTS

SEC. 541. (a) The Commissioner is authorized to make grants to, or contracts with, institutions of higher education to assist them in training persons who are serving or preparing to serve as teachers, administrators, or educational specialists in institutions of higher education.

(b) Grants or contracts under this section may provide for use of funds received thereunder only to assist in covering the cost of courses of training or study (including short-term or regular-session institutes and other preservice and inservice training programs) for such persons, and for establishing and maintaining fellowships or traineeships, except that funds may not be used for fellowships which are eligible for support under title IV of the National Defense Education Acts of 1958, or for seminars, conferences, symposia, and workshops unless these are part of a continuing program of inservice or preservice training.

(c) The Commissioner may make a grant to or enter into a contract with an institution of higher education only upon application by the institution and only upon his finding that such program will substantially improve educational opportunities throughout the Nation for training for persons who have or are preparing to undertake teaching or administrative responsibilities in institutions of higher education or the responsibilities of an educational specialist in such institution.

(20 U.S.C. 1119b) Enacted June 29, 1967, P.L. 90-35, sec. 6, 81 Stat. 93.

STIPENDS

SEC. 542. The Commissioner may include in the terms of any arrangement with an institution of higher education under this part provisions authorizing the payment, to persons participating in training programs supported under this part, of such stipends (including allowances for subsistence and other expenses for such persons and their dependents) as he may determine, which shall be consistent with prevailing practices under comparable federally supported programs.

(20 U.S.C. 1119b-1) Enacted June 29, 1967, P.L. 90-35, sec. 6, 81 Stat. 93.

APPROPRIATIONS AUTHORIZED

SEC. 543. There is authorized to be appropriated to carry out this part the sum of $21,500,000 for the fiscal year ending June 30, 1969, and the sum of $36,000,000 for each of the succeeding fiscal years ending prior to July 1, 1971.

(20 U.S.C. 1119b-2) Enacted June 29, 1967, P.L. 90-35, sec. 6, 81 Stat. 93; amended Oct. 16, 1968, P.L. 90-575, Title II, sec. 231, 82 Stat. 1039.

PART F.—TRAINING AND DEVELOPMENT PROGRAMS FOR VOCATIONAL EDUCATIONAL PERSONNEL

STATEMENT OF PURPOSE

SEC. 551. It is the purpose of this part to provide opportunities for experienced vocational educators to spend full-time in advanced study of vocational education for a period not to exceed three years in length; to provide opportunities to up-date the occupational competencies of vocational education teachers through exchanges of personnel between vocational education programs and commercial, industrial, or other public or private employment related to the subject matter of vocational education; and to provide programs of inservice teacher education and short-term institutes for vocational education personnel.

(20 U.S.C. 1119c) Enacted Oct. 16, 1968, P.L. 90–575, Title II, sec. 201, 82 Stat. 1091.

LEADERSHIP DEVELOPMENT AWARDS

SEC. 552. (a) In order to meet the needs in all the States for qualified vocational education personnel (such as administrators, supervisors, teacher educators, researchers, and instructors in vocational education programs) the Commissioner shall make available leadership development awards in accordance with the provisions of this part only upon his determination that—

(A) persons selected for awards have had not less than two years of experience in vocational education or in industrial training, or military technical training; or, in the case of researchers, experience in social science research which is applicable to vocational education; or

(B) persons receiving such awards are currently employed or are reasonably assured of employment in vocational education and have successfully completed, as a minimum, a baccalaureate degree program; or

(C) persons selected are recommended by their employer, or others, as having leadership potential in the field of vocational education and are eligible for admission as a graduate student to a program of higher education approved by the Commissioner under subsection (c).

(b)(1) The Commissioner shall pay to persons selected for leadership development awards such stipends (including such allowances for subsistence and other expenses for such persons and their dependents) as he may determine to be consistent with prevailing practices under comparable federally supported programs.

(2) The Commissioner shall (in addition to the stipends paid to persons under paragraph (1)) pay to the institution of higher education at which such person is pursuing his course of study such amount as the Commissioner may determine to be consistent with the prevailing practices under comparable federally supported programs not to exceed the equivalent of $3,500 per academic year, but any amount charged such person for tuition and nonrefundable fees and deposits shall be deducted from the amount payable to the institution of higher education under this subsection.

(c) The Commissioner shall approve the vocational education leadership development program of an institution of higher education by the institution only upon finding that—

(1) the institution offers a comprehensive program in vocational education with adequate supporting services and disciplines such as education administration, guidance and counseling research, and curriculum development;

(2) such program is designed to further substantially the objective of improving vocational education through providing opportunities for graduate training of vocational education teachers, supervisors, and administrators, and of university level vocational education teacher educators and researchers;

(3) such programs are conducted by a school of graduate study in the institution of higher education; and

(4) such program is also approved by the State board for vocational education in the State where the institution is located.

(d) In order to meet the needs for qualified vocational education personnel such as teachers, administrators, supervisors, and teacher educators, in vocational education programs in all the States, the Commissioner in carrying out this section shall apportion leadership development awards equitably among the States, taking into account such factors as the State's vocational education enrollments, and the incidence of youth unemployment and school dropouts in the State.

(e) Persons receiving leadership awards under the provisions of this section shall continue to receive the payments provided in subsection (b) only during such periods as the Commissioner finds that they are maintaining satisfactory proficiency in, and devoting essentially full time to, study or research in the field of vocational education in an institution of higher education, and are not engaging in gainful employment, other than part-time employment by such institution in teaching, research, or similar activities, approved by the Commissioner.

(20 U.S.C. 1119c–1) Enacted Oct. 16, 1968, P.L. 90–575, Title II, sec. 201, 82 Stat. 1092, 1093.

EXCHANGE PROGRAMS, INSTITUTES, AND INSERVICE EDUCATION FOR VOCATIONAL-EDUCATION TEACHERS, SUPERVISORS, COORDINATORS, AND ADMINISTRATORS

SEC. 553. (a) The Commissioner is authorized to make grants to State boards, as defined in the Vocational Education Act of 1963, to pay the cost of carrying out cooperative arrangements for the training or retraining of experienced vocational education personnel such as teachers, teacher educators, administrators, supervisors, and coordinators, and other personnel, in order to strengthen education programs supported by this part and the administration of schools offering vocational education. Such cooperative arrangements may be between schools offering vocational education and private business or industry, commercial enterprises, or with other educational institutions (including those for the handicapped and delinquent).

(b) Grants under this section may be used for projects and activities such as—

(1) exchange of vocational education teachers and other staff members with skilled technicians or supervisors in industry (including mutual arrangements for preserving employment and

retirement status, and other employment benefits during the period of exchange), and the development and operation of cooperative programs involving periods of teaching in schools providing vocational education and of experience in commercial, industrial, or other public or private employment related to the subject matter taught in such school;

(2) inservice training programs for vocational education teachers and other staff members to improve the quality of instruction, supervision, and administration of vocational education programs; and

(3) short-term or regular-session institutes, or other preservice and inservice training programs or projects designed to improve the qualifications of persons entering and reentering the field of vocational education, except that funds may not be used for seminars, symposia, workshops or conferences unless these are part of a continuing program of inservice or preservice training.

(c) A grant may be made under this section only upon application to the Commissioner at such time or times and containing such information as he deems necessary. The Commissioner shall not approve an application unless it—

(1) sets forth a program for carrying out one or more projects or activities which meet the requirements of subsection (b), and provides for such methods of administration as are necessary for the proper and efficient operation of the program;

(2) sets forth policies and procedures which assure that Federal funds made available under this section for any fiscal year will be so used as to supplement and, to the extent practicable, increase the level of funds that would, in the absence of such Federal funds, be made available for purposes which meet the requirements of subsection (b), and in no case supplant such funds;

(3) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this section; and

(4) provides for making such reports, in such form and containing such information, as the Commissioner may require to carry out his functions under this section, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(20 U.S.C. 1119c–2) Enacted Oct. 16, 1968, P.L. 90–575, Title II, sec. 201, 82 Stat. 1093, 1094.

FAMILIARIZING TEACHERS WITH NEW CURRICULAR MATERIALS

Sec. 554. In approving training and development programs for vocational education personnel, the Commissioner shall give special consideration to programs which are designed to familiarize teachers with new curricular materials in vocational education.

(20 U.S.C. 1119c–3) Enacted Oct. 16, 1968, P.L. 90–575, Title II, sec. 201, 82 Stat. 1094.

APPROPRIATIONS AUTHORIZED

Sec. 555. There is authorized to be appropriated to carry out this part, the sum of $25,000,000 for the fiscal year ending June 30, 1969, the sum of $35,000,000 for the fiscal year ending June 30, 1970, the sum of $40,000,000 for the fiscal year ending June 30, 1971, and the sum of $45,000,000 for the fiscal year ending June 30, 1972.

(20 U.S.C. 1119c–4) Enacted Oct. 16, 1968, P.L. 90–575, Title II, sec. 201, 82 Stat. 1094; amended April 13, 1970, P.L. 91–230, Title VII, sec. 708, 84 Stat. 189.

LEGISLATIVE HISTORY

(P.L. 89–329)

House Reports: No. 621 (Committee on Education and Labor) and No. 1178 (committee of conference).

Senate Report No. 673 (Committee on Labor and Public Welfare).

Congressional Record, Volume 111 (1965):
- **August 26: Considered and passed House.**
- **September 1: Considered in Senate.**
- **September 2: Considered and passed Senate, amended.**
- **October 20: House and Senate agreed to conference report.**

Approved: November 8, 1965.

(P.L. 90–35)

House Report No. 373 (Committee on Education and Labor).

Senate Report No. 363 accompanying S. 2028 (Committee on Labor and Public Welfare).

Congressional Record, volume 113 (1967):
- **June 26: Considered in House.**
- **June 27: Considered and passed House.**
- **June 28: Considered and passed Senate, in lieu of S. 2028.**

Approved: June 29, 1967.

(P.L. 90–575)

House Reports: No. 1649 accompanying H.R. 15067 (Committee on Education and Labor) and No. 2326 (committee of conference).

Senate Report No. 1387 (Committee on Labor and Public Welfare).

Congressional Record, volume 114 (1968):
- **July 15: Considered and passed Senate.**
- **July 24, 25: Considered and passed House, amended, in lieu of H.R. 15067.**
- **September 26: House agreed to conference report.**
- **October 1: Senate agreed to conference report.**

Approved: October 16, 1968.

(P.L. 90–576)

House Reports: No. 1647 (Committee on Education and Labor) and No. 1938 (committee of conference).

Senate Report No. 1386 accompanying S. 3770 (Committee on Labor and Public Welfare).

Congressional Record, volume 114 (1968):
- **July 15: Considered and passed House.**
- **July 15, 17: Considered and passed Senate, amended, in lieu of S. 3770.**
- **October 1, 2: Senate considered and agreed to conference report.**
- **October 3: House agreed to conference report.**

Approved: October 16, 1968.

(P.L. 91–230)

House Reports: No. 91–114 (Committee on Education and Labor) and No. 91–937 (committee of conference).

Senate Report: No. 91–634 (Committee on Labor and Public Welfare).

Congressional Record:
- **Volume 115 (1969): April 23, considered and passed House.**
- **Volume 116 (1970):**
  - **February 4–6, 9, 10, 16–18, considered in Senate.**
  - **February 19, considered and passed Senate, amended.**
  - **March 24, 25, Senate considered conference report.**
  - **April 1, Senate agreed to conference report.**
  - **April 7, House agreed to conference report.**

Approved: April 13, 1970.

TITLE V—GUIDANCE, COUNSELING, AND TESTING; IDENTIFICATION AND ENCOURAGEMENT OF ABLE STUDENTS

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Part B—Counseling and Guidance Training Institutes

AUTHORIZATION

Sec. 511. (a) There are hereby authorized to be appropriated $6,250,000 for the fiscal year ending June 30, 1959, $7,250,000 for the fiscal year ending June 30, 1960, and for each of the eight succeeding fiscal years, to enable the Commissioner to arrange, through grants or contracts, with institutions of higher education for the operation by them of short-term or regular session institutes for advanced study, including study in the use of new materials, to improve the qualifications of individuals who are engaged, or are teachers preparing to engage, in counseling and guidance of students in elementary or in secondary schools or in institutions of higher education, including junior colleges and technical institutes as defined in section 505.

(b) Each individual who attends an institute operated under the provisions of this part shall be eligible (after application therefor) to receive a stipend at the rate of $75 per week for the period of his attendance at such institute, and each such individual with one or more dependents shall receive an additional stipend at the rate of $15 per week for each such dependent.

(20 U.S.C. 491) Enacted Sept. 2, 1958, P.L. 85-864, Title V, sec. 511, 72 Stat. 1593; amended Oct. 3, 1961, P.L. 87-344, Title II, sec. 204(d), 75 Stat. 760; amended Dec. 18, 1963, P.L. 88-210, sec. 25(e), 77 Stat. 418; amended Oct. 16, 1964, P.L. 88-665, Title V, sec. 505, 78 Stat. 1106.

Title XI—Institutes

Part I—General

AUTHORIZATION OF INSTITUTES

Sec. 1101. There are authorized to be appropriated $32,750,000 for the fiscal year ending June 30, 1965, $50,000,000 for the fiscal year ending June 30, 1966, and for the succeeding fiscal year and $51,000,000 for the fiscal year ending June 30, 1968, to enable the Commissioner to arrange, through grants or contracts, with institutions of higher education for the operation by them of short-term or regular session institutes for advanced study, including study in the use of new materials, to improve the qualification of individuals—

(1) who are engaged in or preparing to engage in the teaching, or supervising or training of teachers, of history, geography, economics, civics, and industrial arts, modern foreign languages, reading, or English in elementary or secondary schools.

(2) who are engaged in or preparing to engage in the teaching of disadvantaged youth and are, by virtue of their service or future service in elementary or secondary schools enrolling sub-

stantial numbers of culturally, economically, socially, and educationally handicapped youth, in need of specialized training; except that no institute may be established under this title for teachers of disadvantaged youth unless such institute will offer a specialized program of instruction designed to assist such teachers in coping with the unique and peculiar problems involved in teaching of such youth.

(3) who are engaged as, or are preparing to engage as, educational media specialists, or

(4) who are engaged in or preparing to engage in special educational programs for children of limited English-speaking ability.

(20 U.S.C. 591) Enacted October 16, 1964, P.L. 88–665, Title IX, sec. 901(a), 78 Stat. 1107; amended November 8, 1965, P.L. 89–329, Title II, sec. 225, 79 Stat. 1228, Title IV, sec. 467(b), 79 Stat. 1254; amended Jan. 2, 1968, P.L. 90–247, Title VII, sec. 705, 81 Stat. 820.

STIPENDS

SEC. 1102. Each individual who attends an institute operated under the provisions of this part shall be eligible (after application therefor) to receive a stipend at the rate of $75 per week for the period of his attendance at such institute, and each such individual with one or more dependents shall receive an additional stipend at the rate of $15 per week for each such dependent.

(20 U.S.C. 592) Enacted Oct. 16, 1964, P.L. 88–665, Title IX, sec. 901(a), 78 Stat. 1108; amended Oct. 28, 1966, P.L. 89–698, sec. 202, 80 Stat. 1070.

PART II—INTERNATIONAL AFFAIRS

INTERNATIONAL AFFAIRS INSTITUTES FOR SECONDARY SCHOOL TEACHERS

SEC. 1111. There are authorized to be appropriated $3,500,000 for the fiscal year ending June 30, 1967, and $6,000,000 for the fiscal year ending June 30, 1968, to enable the Commissioner to arrange through contracts with institutions of higher education for the establishment and operation of short-term or regular-session institutes for teachers in secondary schools in order to give them a broader understanding of international affairs. Any such arrangement may cover the cost of the establishment and operation of the institute with respect to which it is made, including the cost of grants to the staff of travel in the foreign areas, regions, or countries with which the subject matter of the field or fields in which they are or will be working is concerned, and the cost of travel of foreign scholars to enable them to teach or assist in teaching in such institute and the cost of their return, and shall be made on such conditions as the Commissioner finds necessary to carry out the purposes of this section.

(20 U.S.C. 601) Enacted Oct. 28, 1966, P.L. 89–698, sec. 202, 80 Stat. 1020.

STIPENDS

SEC. 1112. The Commissioner is authorized to pay stipends to any individual to study in a program assisted under the provisions of this part upon determining that assisting such individual in such studies will promote the purpose of this part. Stipends under the provisions of this section may include allowances for dependents and for travel to and from the place of residence.

(20 U.S.C. 602) Enacted Oct. 28, 1966, P.L. 89-698, sec. 202, 80 Stat. 1070.

Drug Abuse Education Act of 1970
(P.L. 91-527)

AN ACT To authorize the Secretary of Health, Education, and Welfare to make grants to conduct special educational programs and activities concerning the use of drugs and other related educational purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Drug Abuse Education Act of 1970".

STATEMENT OF PURPOSE

SEC. 2. (a) The Congress hereby finds and declares that drug abuse diminishes the strength and vitality of the people of our Nation; that such abuse of dangerous drugs is increasing in urban and suburban areas; that there is a lack of authoritative information and creative projects designed to educate students and others about drugs and their abuse; and that prevention and control of such drug abuse require intensive and coordinated efforts on the part of both governmental and private groups.

(b) It is the purpose of this Act to encourage the development of new and improved curricula on the problems of drug abuse; to demonstrate the use of such curricula in model educational programs and to evaluate the effectiveness thereof; to disseminate curricular materials and significant information for use in educational programs throughout the Nation; to provide training programs for teachers, counselors, law enforcement officials, and other public service and community leaders; and to offer community education programs for parents and others, on drug abuse problems.

(21 U.S.C. 1001) Enacted Dec. 3, 1970, P.L. 91-527, sec. 2, 84 Stat. 1385.

DRUG ABUSE EDUCATION PROJECTS

SEC. 3. (a) The Secretary shall carry out a program of making grants to, and contracts with institutions of higher education, State and local educational agencies, and other public and private education or research agencies, institutions, and organizations to support research, demonstration, and pilot projects designed to educate the public on problems related to drug abuse.

(b) Funds appropriated for grants and contracts under this section shall be available for such activities as—

(1) projects for the development of curricula on the use and abuse of drugs, including the evaluation and selection of exemplary existing materials and the preparation of new and improved

curricular materials for use in elementary, secondary, adult, and community education programs;

(2) projects designed to demonstrate, and test the effectiveness of curricula described in clause (1) (whether developed with assistance under this Act or otherwise);

(3) in the case of applicants who have conducted projects under clause (2), projects for the dissemination of curricular materials and other significant information regarding the use and abuse of drugs to public and private elementary, secondary, adult and community education programs;

(4) evaluations of the effectiveness of curricula tested in use in elementary, secondary, and adult and community education programs involved in projects described in clause (2);

(5) preservice and inservice training programs on drug abuse (including courses of study, institutes, seminars, workshops, and conferences) for teachers, counselors, and other educational personnel, law enforcement officials, and other public service and community leaders and personnel;

(6) community education programs on drug abuse (including seminars, workshops, and conferences) especially for parents and others in the community;

(7) evaluations of the training and community education programs described in clauses (5) and (6), including the examination of the intended and actual impact of such programs, the identification of strengths and weaknesses in such programs, and the evaluation of materials used in such programs;

(8) programs or projects to recruit, train, organize and employ professional and other persons, including former drug abusers or drug dependent persons, to organize and participate in programs of public education in drug abuse.

In the case of activities described in clauses (4) and (7), the Secretary may undertake such activities directly or through grants or contracts.

(c) In addition to the purposes described in subsection (b) of this section, funds in an amount not to exceed 5 per centum of the sums appropriated to carry out this section may be made available for the payment of reasonable and necessary expenses of State educational agencies in assisting local educational agencies in the planning development, and implementation of drug abuse education programs.

(d) (1) Financial assistance for a project under this section may be made only upon application at such time or times, in such manner, and containing or accompanied by such information as the Secretary deems necessary, and only if such application—

(A) provides that the activities and services for which assistance under this title is sought will be administered by or under the supervision of the applicant;

(B) provides for carrying out one or more projects or programs eligible for assistance under subsection (b) of this section and provides for such methods of administration as are necessary for the proper and efficient operation of such projects or programs;

(C) sets forth policies and procedures which assure that Federal funds made available under this section for any fiscal year will be so used as to supplement and, to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be made available by the applicant for the purposes described in subsection (b) of this section, and in no case supplant such funds; and

(D) provides for making such reports, in such form and containing such information, as the Secretary may reasonably require, and for keeping such records and for affording such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports.

(2) Applications from local educational agencies for financial assistance under this section may be approved by the Secretary only if the State educational agency has been notified of the application and been given the opportunity to offer recommendations.

(3) Amendments of applications shall, except as the Secretary may otherwise provide by or pursuant to regulation, be subject to approval in the same manner.

(e) There are hereby authorized to be appropriated $5,000,000 for the fiscal year beginning July 1, 1970, $10,000,000 for the fiscal year beginning July 1, 1971; and $14,000,000 for the fiscal year beginning July 1, 1972, for the purpose of carrying out this section. Sums appropriated pursuant to this section shall remain available until expended.

(21 U.S.C. 1002) Enacted Dec. 3 1970, P.L. 91–527, sec. 3, 84 Stat. 1386.

COMMUNITY EDUCATION PROJECTS

SEC. 4. There is authorized to be appropriated $5,000,000 for the fiscal year beginning July 1, 1970, $10,000,000 for the fiscal year beginning July 1, 1971, and $14,000,000 for the fiscal year beginning July 1, 1972, for grants or contracts to carry out the provisions of this section. From the sums available therefore for any fiscal year, the Secretary of Health, Education, and Welfare is authorized to make grants to, or enter into contracts with, public or private nonprofit agencies, organizations, and institutions for planning and carrying out community-oriented education programs on drug abuse and drug dependency for the benefit of interested and concerned parents, young persons, community leaders, and other individuals and groups within a community. Such programs may include, among others, seminars, workshops, conferences, telephone counseling and information services to provide advice, information, or assistance to individuals with respect to drug abuse or drug dependency problems, the operation of centers designed to serve as a locale which is available, with or without appointment or prior arrangement, to individuals seeking to discuss or obtain information, advice, or assistance with respect to drug abuse or drug dependency problems, arrangements involving the availability of so-called "peer group" leadership programs, and programs establishing and making available procedures and means of coordinating and exchanging ideas, information, and other data involving drug abuse and drug dependency problems. Such programs shall, to the extent feasible, (A) provide for the use of adequate personnel from similar social, cultural, age, ethnic, and racial backgrounds as these of the individuals served under any such program, (B) include a comprehensive and coordinated range of services, and (C) be integrated with, and involve the active participation of a wide range of public and nongovernmental agencies.

(21 U.S.C. 1003) Enacted Dec. 3, 1970, P.L. 91–527, sec. 4, 84 Stat. 1387.

TECHNICAL ASSISTANCE

SEC. 5. The Secretary and the Attorney General (on matters of law enforcement) shall, when requested, render technical assistance to local educational agencies, public and private nonprofit organizations, and institutions of higher education in the development and implementation of programs of drug abuse education. Such technical assistance may, among other activities, include making available to such agencies or institutions information regarding effective methods of coping with problems of drug abuse, and making available to such agencies or institutions personnel of the Department of Health, Education, and Welfare and the Department of Justice, or other persons qualified to advise and assist in coping with such problems or carrying out a drug abuse education program.

(21 U.S.C. 1004) Enacted Dec. 3, 1970, P.L. 91–527, sec. 5, 84 Stat. 1388.

PAYMENTS

SEC. 6. Payments under this Act may be made in installments and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

(21 U.S.C. 1005) Enacted Dec. 3, 1970, P.L. 91–527, sec. 6, 84 Stat. 1388.

ADMINISTRATION

SEC. 7. In administering the provisions of this Act, the Secretary is authorized to utilize the services and facilities of any agency of the Federal Government and of any other public or private agency or institution in accordance with appropriate agreements, and to pay for such services either in advance or by way of reimbursement, as may be agreed upon.

(21 U.S.C. 1006) Enacted Dec. 3, 1970, P.L. 91–527, sec. 7, 84 Stat. 1388.

DEFINITIONS

SEC. 8. As used in this Act—

(a) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(b) The term "State" includes, in addition to the several States of the Union, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

(21 U.S.C. 1007) Enacted Dec. 3, 1970, P.L. 91–527, sec. 7, 84 Stat. 1388.

LEGISLATIVE HISTORY

(P.L. 91–527)

House Report: No. 91–599 (Committee on Education and Labor).
Senate Report: No. 91–1244 (Committee on Labor and Public Welfare).
Congressional Record:
  Vol. 115 (1969): October 30, 31, considered and passed House.
  Vol. 116 (1970):
    November 17, considered and passed Senate, amended.
    November 19, House concurred in Senate amendment.
Approved: December 3, 1970.

PART VI—VOCATIONAL EDUCATION PROGRAMS

Vocational Education Act of 1963

AN ACT To strengthen and improve the quality of vocational education and to expand the vocational education opportunities in the Nation, to extend for three years the National Defense Education Act of 1958 and Public Laws 815 and 874, Eighty-first Congress (federally affected areas), and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, that Title I of this Act may be cited as the "Vocational Education Act of 1963".

TITLE I—VOCATIONAL EDUCATION[1]

PART A—GENERAL PROVISIONS

DECLARATION OF PURPOSE

SEC. 101. It is the purpose of this title to authorize Federal grants to States to assist them to maintain, extend, and improve existing programs of vocational education, to develop new programs of vocational education, and to provide part-time employment for youths who need the earnings from such employment to continue their vocational training on a full-time basis, so that persons of all ages in all communities of the State—those in high school, those who have completed or discontinued their formal education and are preparing to enter the labor market, those who have already entered the labor market but need to upgrade their skills or learn new ones, those with special educational handicaps, and those in postsecondary schools—will have ready access to vocational training or retraining which is of high quality, which is realistic in the light of actual or anticipated opportunities for gainful employment, and which is suited to their needs, interests, and ability to benefit from such training.

(20 U.S.C. 1241) Enacted Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(b), 82 Stat. 1064.

AUTHORIZATION OF APPROPRIATIONS

SEC. 102. (a) There are authorized to be appropriated $355,000,000 for the fiscal year ending June 30, 1969, $565,000,000 for the fiscal year ending June 30, 1970, $675,000,000 for the fiscal year ending June 30, 1971, $675,000,000 for the fiscal year ending June 30, 1972, and $565,000,000 for the fiscal year ending June 30, 1973, and each succeeding fiscal year for the purposes of parts B and C of this title. From the amount appropriated pursuant to the preceding sentence and allotted to each State under section 103, 90 per centum shall be available for the purposes of part B and 10 per centum shall be available for the purposes of part C.

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[1] Titles II and III of this Act, as redesignated by the Vocational Education Amendments of 1968 (P.L. 90–576), were amendments to the National Defense Education Act of 1958, Public Law 815, 81st Congress, and Public Law 874, 81st Congress. These amendments are incorporated into the text of these laws and are not printed in this part.

(b) There are also authorized to be appropriated $40,000,000 each for the fiscal years and ending June 30, 1969, and June 30, 1970, $50,000,000 for the fiscal year ending June 30, 1971, and $60,000,000 for the fiscal year ending June 30, 1972, for the purposes of section 122(a)(4)(A). Nothing in this subsection shall be construed to affect the availability for such purposes, of appropriations made pursuant to subsection (a) of this section.

(c) There are further authorized to be appropriated for each fiscal year such sums as may be necessary to pay the cost of the administration and development of State plans, the activities of advisory councils created under this title, and the evaluation and dissemination activities required pursuant to this title.

(20 S.C. 1242) Enacted Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(b), 82 Stat. 10 4; amended Apr. 13, 1970, P.L. 91–230, Title VII, sec. 701, 84 Stat. 188.

ALLOTMENTS AMONG STATES

SEC. 103. (a)(1) From the sums appropriated pursuant to section 102(a) the Commissioner shall first reserve an amount, not to exceed $5,000,000 in any fiscal year, for transfer to the Secretary of Labor to finance (upon terms and conditions mutually satisfactory to the Commissioner and the Secretary of Labor) national, regional, State, and local studies and projections of manpower needs for the use and guidance of Federal, State, and local officials, and of advisory councils charged with responsibilities under this title.

(2) The remainder of the sums appropriated pursuant to section 102(a) and all of the sums appropriated pursuant to section 102(b) shall be allotted among the States on the basis of the number of persons in the various age groups needing vocational education and the per capita income in the respective States as follows: The Commissioner shall allot to each State for each fiscal year—

(A) An amount which bears the same ratio to 50 per centum of the sums being allotted, as the product of the population aged fifteen to nineteen, inclusive, in the State in the preceding fiscal year and the State's allotment ratio bears to the sum of the corresponding products for all the States; plus

(B) An amount which bears the same ratio to 20 per centum of the sums being allotted, as the product of the population aged twenty to twenty-four, inclusive, in the State in the preceding fiscal year and the State's allotment ratio bears to the sum of the corresponding products for all the States; plus

(C) An amount which bears the same ratio to 15 per centum of the sums being allotted, as the product of the population aged twenty-five to sixty-five, inclusive, in the State in the preceding fiscal year and the State's allotment ratio bears to the sum of the corresponding products for all the States; plus

(D) An amount which bears the same ratio to 15 per centum of the sums being allotted, as the sum of the amounts allotted to the State under subparagraphs (A), (B), and (C) for such years bears to the sum of the amounts allotted to all the States under paragraphs (A), (B), and (C) for such year.

(b) The amount of any State's allotment under subsection (a) for any fiscal year which is less than $10,000 shall be increased to that amount, the total of the increases thereby required being derived by proportionately reducing the allotments to each of the remaining States under such subsection, but with such adjustments as may be necessary to prevent the allotment of any of such remaining States from being thereby reduced to less than that amount.

(c) The amount of any State's allotment under subsection (a) for any fiscal year which the Commissioner determines will not be required for such fiscal year for carrying out the program for which such amount has been allotted shall be available, from time to time, for reallotment, on such dates during such year as the Commissioner shall fix, on the basis of criteria established by regulation, first among programs authorized by other parts of this title within that State and then among other States, except that funds appropriated under section 102(b) may only be reallotted for the use set forth in section 122 (a)(4)(A). Any amount reallotted to a State under this subsection for any fiscal year shall remain available for obligation during the next succeeding fiscal year and shall be deemed to be part of its allotment for the year in which it is obligated.

(d)(1) The allotment ratio for any State shall be 1.00 less the product of—

(A) 0.50, and

(B) the quotient obtained by dividing the per capita income for the State by the per capita income for all the States (exclusive of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands), except that (i) the allotment ratio in no case shall be more than 0.60 or less than 0.40, and (ii) the allotment ratio for Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands shall be 0.60.

(2) The allotment ratios shall be promulgated by the Commissioner for each fiscal year between July 1 and September 30 of the preceding fiscal year. Allotment ratios shall be computed on the basis of the average of the appropriate per capita incomes for the three most recent consecutive fiscal years for which satisfactory data are available.

(3) The term "per capita income" means, with respect to a fiscal year, the total personal income in the calendar year ending in such year, divided by the population of the area concerned in such year.

(4) For the purposes of this section population shall be determined by the Commissioner on the basis of the latest estimates available to him.

(20 U.S.C. 1243) Enacted Oct. 16, 1968, P.L. 90-576, Title I, sec. 101(b), 82 Stat. 1065; amended Apr. 13, 1970, P.L. 91-230, Title VII, sec. 702, 84 Stat. 189.

NATIONAL AND STATE ADVISORY COUNCILS

SEC. 104. (a)(1) There is hereby created a National Advisory Council on Vocational Education (hereinafter referred to as the "National Council") consisting of twenty-one members appointed by the President, without regard to the civil service laws, for terms of three years, except that (i) in the case of the initial members, seven shall be appointed for terms of one year each and seven shall be appointed for terms of two years each, and (ii) appointments to fill vacancies shall be only for such terms as remain unexpired. The Council shall include persons—

(A) representative of labor and management, including persons who have knowledge of the semiskilled, skilled, and technical employment in such occupational fields as agriculture, home economics, distribution and marketing, health, trades, manufacturing, office and service industries, and persons representative of new and emerging occupational fields,

(B) familiar with manpower problems and administration of manpower programs,

(C) knowledgeable about the administration of State and local vocational education programs, including members of local school boards,

(D) experienced in the education and training of handicapped persons,

(E) familiar with the special problems and needs of individuals disadvantaged by their socioeconomic backgrounds,

(F) having special knowledge of postsecondary and adult vocational education programs, and

(G) representative of the general public who are not Federal employees, including parents and students, except that they may not be representative of categories (A) through (F), and who shall constitute no less than one-third of the total membership.

The National Council shall meet at the call of the Chairman, who shall be selected by the President, but not less than four times a year.

(2) The National Council shall—

(A) advise the Commissioner concerning the administration of, preparation of general regulations for, and operation of, vocational education programs supported with assistance under this title;

(B) review the administration and operation of vocational education programs under this title, including the effectiveness of such programs in meeting the purposes for which they are established and operated, make recommendations with respect thereto, and make annual reports of its findings and recommendations (including recommendations for changes in the provisions of this title) to the Secretary for transmittal to the Congress; and

(C) conduct independent evaluations of programs carried out under this title and publish and distribute the results thereof.

(4) The Council is authorized, without regard to the civil service laws, to engage such technical assistance as may be required to carry out its functions, and to this end there are hereby authorized to be appropriated for the fiscal year ending June 30, 1969, $100,000, and for the fiscal year ending June 30, 1970, and each of the two succeeding fiscal years, $150,000.

(5) The National Council shall review the possible duplication of vocational education programs at the postsecondary and adult levels within geographic areas, and shall make annual reports of the extent to which such duplication exists, together with its findings and recommendations, to the Secretary. In making these reports, the Council

shall seek the opinions of persons familiar with postsecondary and adult vocational education in each State from schools, junior colleges, technical institutes, and other institutions of higher education, as well as from State boards of education, State junior college boards, and State boards of higher education, and persons familiar with area schools, labor, business and industry, accrediting commissions, proprietary institutions, and manpower programs.

(b)(1) Any State which desires to receive a grant under this title for any fiscal year shall establish a State advisory council, which shall be appointed by the Governor or, in the case of States in which the members of the State board are elected (including election by the State legislature), by such board, and which shall—

(A) include as members a person or persons—

(i) familiar with the vocational needs and the problems of management and labor in the State, and a person or persons representing State industrial and ecomonic development agencies.

(ii) representative of community and junior colleges and other institutions of higher education, area vocational schools, technical institutes, and postsecondary or adult education agencies or institutions, which may provide programs of vocational or technical education and training,

(iii) familiar with the administration of State and local vocational education programs, and a person or persons having special knowledge, experience, or qualifications with respect to vocational education and who are not involved in the administration of State or local vocational education programs,

(iv) familiar with programs of technical and vocational education, including programs in comprehensive secondary schools,

(v) representative of local educational agencies, and a person or persons who are representative of school boards,

(vi) representative of manpower and vocational education agencies in the State, including a person or persons from the Comprehensive Area Manpower Planning System of the State,

(vii) representing school systems with large concentrations of academically, socially, economically, and culturally disadvantaged students,

(viii) having special knowledge, experience, or qualifications, with respect to the special educational needs of physically or mentally handicapped persons, and

(ix) representative of the general public, including a person or persons representative of and knowledgeable about the poor and disadvantaged, who are not qualified for membership under any of the preceding clauses of this paragraph;

(B) advise the State board on the development of and policy matters arising in the administration of the State plan submitted pursuant to part B of this title, including the preparation of long-range and annual program plans pursuant to paragraphs (4) and (5) of section 123(a);

(C) evaluate vocational education programs, services, and activities assisted under this title, and publish and distribute the results thereof; and

(D) prepare and submit through the State board to the Commissioner and to the National Council an annual evaluation report, accompanied by such additional comments of the State board as the State board deems appropriate, which (i) evaluates the effectiveness of vocational education programs, services, and activities carried out in the year under review in meeting the program objectives set forth in the long-range program plan and the annual program plan provided for in paragraphs (4) and (5) of section 123(a), and (ii) recommends such changes in such programs, services, and activities as may be warranted by the evaluations.

(2) Not less than ninety days prior to the beginning of any fiscal year ending after June 30, 1969, in which a State desires to receive a grant under this title, that State shall certify the establishment of, and membership of, its State Advisory Council to the Commissioner.

(3) Each State Advisory Council shall meet within thirty days after certification has been accepted by the Commissioner and select from among its membership a chairman. The time, place, and manner of meeting shall be as provided by the rules of the State Advisory Council, except that such rules must provide for not less than one public meeting each year at which the public is given opportunity to express views concerning vocational education.

(4) State Advisory Councils are authorized to obtain the services of such professional, technical, and clerical personnel as may be necessary to enable them to carry out their functions under this title and to contract for such services as may be necessary to enable them to carry out their evaluation functions.

(c) From the sums appropriated pursuant to section 102(c) for any fiscal year, the Commissioner is authorized (in accordance with regulations) to pay to each State Advisory Council an amount equal to the reasonable amounts expended by it in carrying out its functions under this title in such fiscal year, except that the amount available for such purpose shall be equal to 1 per centum of the State's allotment under section 103, but such amount shall not exceed $150,000 and shall not be less than $50,000.

(20 U.S.C. 1244) Enacted Oct. 16, 1968, P.L. 90–576, Title I, sec. 101, 82 Stat. 1066; subsection (a)(3) repealed Apr. 13, 1970, P.L. 91–230, Title IV, sec. 401(b) and suberseded by sec. 434 of Title IV of P.L. 90–247, as amended (20 U.S.C. 1233c); subsection (b)(1) amended Apr. 13, 1970, P.L. 91–230, Title VII, sec. 703, 84 Stat. 189.

LIMITATION ON PAYMENTS UNDER THIS TITLE

SEC. 107. (a) Nothing contained in this title shall be construed to authorize the making of any payment under this title for religious worship or instruction, or for the construction, operation, or maintenance of so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship.

(b) Funds appropriated pursuant to this title may be used for residential vocational education schools only to the extent that the operation of such schools is consistent with general regulations of the

Commissioner concerning the operation of such schools, but in no case may juveniles be assigned to such schools as the result of their delinquent conduct, and such facilities may not be used in such a manner as to result in racial segregation.

(20 U.S.C. 1247) Enacted Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(b), 82 Stat. 1069.

DEFINITIONS

Sec. 108. For the purposes of this title—

(1) The term "vocational education" means vocational or technical training or retraining which is given in schools or classes (including field or laboratory work and remedial or related academic and technical instruction incident thereto) under public supervision and control or under contract with a State board or local educational agency and is conducted as part of a program designed to prepare individuals for gainful employment as semiskilled or skilled workers or technicians or subprofessionals in recognized occupations and in new and emerging occupations or to prepare individuals for enrollment in advanced technical education programs, but excluding any program to prepare individuals for employment in occupations which the Commissioner determines, and specifies by regulation, to be generally considered professional or which requires a baccalaureate or higher degree; and such term includes vocational guidance and counseling (individually or through group instruction) in connection with such training or for the purpose of facilitating occupational choices; instruction related to the occupation or occupations for which the students are in training or instruction necessary for students to benefit from such training; job placement; the training of persons engaged as, or preparing to become, teachers in a vocational education program or preparing such teachers to meet special education needs of handicapped students; teachers, supervisors, or directors of such teachers while in such a training program; travel of students and vocational education personnel while engaged in a training program; and the acquisition, maintenance, and repair of instructional supplies, teaching aids, and equipment, but such term does not include the construction, acquisition, or initial equipment of buildings or the acquisition or rental of land.

(2) The term "area vocational education school" means—

(A) a specialized high school used exclusively or principally for the provision of vocational education to persons who are available for study in preparation for entering the labor market, or

(B) the department of a high school exclusively or principally used for providing vocational education in no less than five different occupational fields to persons who are available for study in preparation for entering the labor market, or

(C) a technical or vocational school used exclusively or principally for the provision of vocational education to persons who have completed or left high school and who are available for study in preparation for entering the labor market, or

(D) the department or division of a junior college or community college or university which provides vocational education in no less than five different occupational fields, under the supervision of the State Board, leading to immediate employment but not necessarily leading to a baccalaureate degree,

if it is available to all residents of the State or an area of the State designated and approved by the State Board, and if, in the case of a school, department, or division described in (C) or (D), if it admits as regular students both persons who have completed high school and persons who have left high school.

(3) The term "school facilities" means classrooms and related facilities (including initial equipment) and interests in lands on which such facilities are constructed. Such term shall not include any facility intended primarily for events for which admission is to be charged to the general public.

(4) The term "construction" includes construction of new buildings and acquisition, expansion, remodeling, and alteration of existing buildings, and includes site grading and improvement and architect fees.

(5) The term "Commissioner" means the Commissioner of Education, and the term "Secretary" means the Secretary of Health, Education, and Welfare.

(6) The term "handicapped," when applied to persons, means persons who are mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, crippled or other health impaired persons who by reason thereof require special education and related services.

(7) The term "State" includes, in addition to the several States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands.

(8) The term "State board" means a State board designated or created by State law as the sole State agency responsible for the administration of vocational education, or for supervision of the administration thereof by local educational agencies, in the State.

(9) The term "local educational agency" means a board of education or other legally constituted local school authority having administrative control and direction of public elementary or secondary schools in a city, county, township, school district, or political subdivision in a State, or any other public educational institution or agency having administrative control and direction of a vocational education program.

(10) The term "high school" does not include any grade beyond grade 12.

(11) The term "private vocational training institution" means a business or trade school, or technical institution or other technical or vocational school, in any State, which (A) admits as regular students only persons who have completed or left elementary or secondary school and who have the ability to benefit from the training offered by such institution; (B) is legally authorized to provide, and provides within that State, a program of postsecondary vocational or technical education designed to fit individuals for useful employment in recognized occupations; (C) has been in existence for two years or has been specially accredited by the Commissioner as an institution meeting the other requirements of this subsection; and (D) is accredited (i) by

a nationally recognized accrediting agency or association listed by the Commissioner pursuant to this clause, or (ii) if the Commissioner determines that there is no nationally recognized accrediting agency or association qualified to accredit schools of a particular category, by a State agency listed by the Commissioner pursuant to this clause, or (iii) if the Commissioner determines that there is no nationally recognized or State agency or association qualified to accredit schools of a particular category, by an advisory committee appointed by him and composed of persons specially qualified to evaluate training provided by schools of that category, which committee shall prescribe the standards of content, scope, and quality which must be met by those schools and shall also determine whether particular schools meet those standards. For the purpose of this subsection, the Commissioner shall publish a list of nationally recognized accrediting agencies or associations and State agencies which he determines to be reliable authority as to the quality of education or training afforded.

(12) The term "Vocational Education Act of 1946" means titles I, II, and III of the Act of June 9, 1936, as amended (20 U.S.C. 15i–15m, 15o–15q, 15aa–15jj, 15aaa–15ggg).

(13) The term "supplementary vocational education Acts" means section 1 of the Act of March 3, 1931 (20 U.S.C. 30) (relating to vocational education in Puerto Rico), the Act of March 18, 1950 (20 U.S.C. 31–33) (relating to vocational education in the Virgin Islands), and section 9 to the Act of August 1, 1956 (20 U.S.C. 34) (relating to vocational education in Guam).

(20 U.S.C. 1248) Enacted Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(b), 82 Stat. 1069.

Part B—State Vocational Education Programs

AUTHORIZATION OF GRANTS

Sec. 121. From the sums made available for grants under this part pursuant to sections 102 and 103, the Commissioner is authorized to make grants to States to assist them in conducting vocational education programs for persons of all ages in all communities of the States, which are designed to insure that education and training programs for career vocations are available to all individuals who desire and need such education and training.

(20 U.S.C. 1261) Enacted Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(b), 82 Stat. 1072.

USES OF FEDERAL FUNDS

Sec. 122. (a) Grants to States under this part may be used, in accordance with State plans approved pursuant to section 123, for the following purposes:

(1) vocational education programs for high school students, including such programs which are designed to prepare them for advanced or highly skilled postsecondary vocational and technical education;

(2) vocational education for persons who have completed or left high school and who are available for study in preparation for entering the labor market;

(3) vocational education for persons (other than persons who are receiving training allowances under the Manpower Development and Training Act of 1962 (Public Law 87–415), the Area Redevelopment Act (Public Law 87–27), or the Trade Expansion Act of 1962 (Public Law 87–794)) who have already entered the labor market and who need training or retraining to achieve stability or advancement in employment;

(4)(A) vocational education for persons (other than handicapped persons defined in section 108(6)) who have academic, socioeconomic, or other handicaps that prevent them from succeeding in the regular vocational education program;

(B) vocational education for handicapped persons who because of their handicapping condition cannot succeed in the regular vocational education program without special educational assistance or who require a modified vocational education program;

(5) construction of area vocational education school facilities;

(6) vocational guidance and counseling designed to aid persons enumerated in paragraphs (1) through (4) of this subsection in the selection of, and preparation for, employment in all vocational areas;

(7) provision of vocational training through arrangements with private vocational training institutions where such private institutions can make a significant contribution to attaining the objectives of the State plan, and can provide substantially equivalent training at a lesser cost, or can provide equipment or services not available in public institutions; and

(8) ancillary services and activities to assure quality in all vocational education programs, such as teacher training and supervision, program evaluation, special demonstration and experimental programs, development of instructional materials, and improved State administration and leadership, including periodic evaluation of State and local vocational education programs and services in light of information regarding current and projected manpower needs and job opportunities.

(b) In addition to the uses of funds specified in subsection (a), funds appropriated pursuant to section 102(c) and paid to a State for the following purpose by the Commissioner may be used for—

(1) the development of the State plan;

(2) State administration of the State plan, including obtaining information regarding current and projected manpower needs and job opportunities; and

(3) the evaluations required under this title and the dissemination of the results thereof.

(c)(1) At least 25 per centum of that portion of each State's allotment of funds appropriated under section 102(a) for any fiscal year beginning after June 30, 1969, which is in excess of its base allotment shall be used only for the purpose set forth in paragraph (4)(A) of subsection (a): *Provided*, That for any such fiscal year the amount used for such purpose shall not be less than 15 per centum of the total allotment of such funds for each State, except as any requirement under this paragraph may be waived for any State by the Commissioner for any fiscal year upon his finding that the requirement imposes a hardship or is impractical in its application.

(2) At least 25 per centum of that portion of each State's allotment of funds appropriated under section 102(a) for any fiscal year beginning after June 30, 1969, which is in excess of its base allotment shall be used only for the purpose set forth in paragraph (2) of subsection (a): *Provided*, That for any such fiscal year the amount used for such purpose shall not be less than 15 per centum of the total allotment of such funds for each State, except as any requirement under this paragraph may be waived for any State by the Commissioner for any fiscal year upon his finding that the requirement imposes a hardship or is impractical in its application.

(3) At least 10 per centum of each State's allotment of funds appropriated under section 102(a) for any fiscal year beginning after June 30, 1969, shall be used only for the purpose set forth in paragraph 4(B) of subsection (a).

(4) As used in this subsection, the term "base allotment" means the sum of the allotments to a State for the fiscal year ending June 30, 1969, from (1) sums appropriated under section 102(a) of this Act, (2) the Smith-Hughes Act (that is, the Act approved February 23, 1917 (39 Stat. 929; 20 U.S.C. 11–15, 16–28)), (3) the Vocational Education Act of 1946, and (4) any of the supplementary vocational educational Acts (including, in the case of American Samoa, section 2 of the Act of September 25, 1962, 48 U.S.C. 1667).

(20 U.S.C. 1262) Enacted Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(b), 82 Stat. 1072.

STATE PLANS

SEC. 123. (a) Any State desiring to receive the amount for which it is eligible for any fiscal year pursuant to this title shall submit a State plan at such time, in such detail, and containing such information as the Commissioner deems necessary, which meets the requirements set forth in this title. The Commissioner shall approve a plan submitted by a State if he determines that the plan submitted for that year—

(1) has been prepared in consultation with the State advisory council for that State;

(2) designates the State board as the sole agency for administration of the State plan, or for supervision of the administration thereof by local educational agencies;

(3) has been submitted only after the State board (A) has given reasonable notice, and afforded a reasonable opportunity for a public hearing, and (B) has implemented policies and procedures to insure that copies of the State plan and all statements of general policies, rules, regulations, and procedures issued by the State board concerning the administration of such plan will be made reasonably available to the public;

(4) sets forth a long-range program plan (or, as is appropriate, a supplement to, or revision of, a previously submitted long-range plan) for vocational education in the State, which program plan (A) has been prepared in consultation with the State advisory council, (B) extends over such period of time (but not more than five years or less than three years), beginning with the

fiscal year for which the State plan is submitted, as the Commissioner deems necessary and appropriate for the purposes of this title, (C) describes the present and projected vocational education needs of the State in terms of the purposes of this title, and (D) sets forth a program of vocational education objectives which affords satisfactory assurance of substantial progress toward meeting the vocational education needs of the potential students in the State;

(5) sets forth an annual program plan, which (A) has been prepared in consultation with the State advisory council, (B) describes the content of, and allocation of Federal and State vocational education funds to programs, services, and activities to be carried out under the State plan during the year for which Federal funds are sought (whether or not supported with Federal funds under this title), (C) indicates how and to what extent, such programs, services, and activities will carry out the program objectives set forth in the long-range program plan provided for in paragraph (4), and (D) indicates how, and to what extent, allocations of Federal funds allotted to the State will take into consideration the criteria set forth in the State plan pursuant to paragraph (6), and (E) indicates the extent to which consideration was given to the findings and recommendations of the State advisory council in its most recent evaluation report submitted pursuant to section 104;

(6) sets forth in detail the policies and procedures to be followed by the State in the distribution of funds to local educational agencies in the State and for the uses of such funds, specified in paragraphs (1) through (8) of section 122(a), for the programs, services, and activities set forth in the program plans submitted pursuant to paragraphs (4) and (5), which policies and procedures assure that—

(A) due consideration will be given to the results of periodic evaluations of State and local vocational education programs, services, and activities in the light of information regarding current and projected manpower needs and job opportunities, particularly new and emerging needs and opportunities on the local, State, and national levels.

(B) due consideration will be given to the relative vocational education needs of all population groups in all geographic areas and communities in the State, particularly persons with academic, socioeconomic, mental, and physical handicaps that prevent them from succeeding in regular vocational education programs,

(C) due consideration will be given to the relative ability of particular local educational agencies within the State, particularly those in economically depressed areas and those with high rates of unemployment, to provide the resources necessary to meet the vocational education needs in the areas or communities served by such agencies,

(D) due consideration will be given to the cost of the programs, services, and activities provided by local educational agencies which is in excess of the cost which may be normally attributed to the cost of education in such local educational agencies,

(E) funds made available under this title will not be allocated to local educational agencies in a manner, such as the matching of local expenditures at a percentage ratio uniform throughout the State, which fails to take into consideration the criteria set forth in paragraphs (A), (B), (C), and (D),

(F) applications from local educational agencies for funds—

(i) have been developed in consultation with representatives of the educational and training resources available to the area to be served by the applicant,

(ii) are designed to provide the persons to be served with education programs which will make substantial progress toward preparing such persons for a career,

(iii) include assurances of adequate planning to meet the vocational education needs of potential students in the area or community served by such agency, and,

(iv) include a plan, related to the appropriate comprehensive area manpower plan (if any), for meeting the vocational education needs in the area or community served by such agency; and

(v) indicate how, and to what extent the vocational education programs, services, and activities proposed in the application will meet the needs set forth pursuant to clause (iii); and

(G) no local educational agency which is making a reasonable tax effort, as defined by regulations, will be denied funds for the establishment of new vocational education programs solely because the local educational agency is unable to pay the non-Federal share of the cost of such new programs;

(7) provides minimum qualification for teachers, teacher-trainees, supervisors, directors, and other personnel having responsibilities for vocational education in the State and the policies and procedures developed to improve the qualifications of such personnel and to insure that such qualifications continue to reflect a direct relationship with the need for personnel in vocational education programs carried out under the State plan;

(8) provides for entering into cooperative arrangements with the system of public employment offices in the State approved by the State board and by the State head of such system, looking toward such offices making available to the State board and local educational agencies occupational information regarding reasonable prospects of employment in the community and elsewhere, and toward consideration of such information by such board and agencies in providing vocational guidance and counseling to students and prospective students and in determining the occupations for which persons are to be trained; and looking toward guidance and counseling personnel of the State board and local educational agencies making available to public employment of-

fices information regarding the occupational qualifications of persons leaving or completing vocational education courses or schools, and toward consideration of such information by such offices in the occupational guidance and placement of such persons;

(9) provides that in the development of vocational education programs, services and activities under this title, there may be, in addition to the cooperative arrangements provided for in paragraph (8), cooperative arrangements with other agencies, organizations, and institutions concerned with manpower needs and job opportunities, such as institutions of higher education, and model city, business, labor, and community action organizations;

(10) provides that effective use will be made of the results and experience of programs and projects assisted under other parts of this title;

(11) provides assurance that Federal funds made available under this part will be so used as to supplement, and to the extent practical, increase the amount of State and local funds that would in the absence of such Federal funds be made available for the uses set forth in section 122(a), so that all persons in all communities of the State will as soon as possible have ready access to vocational training suited to their needs, interests, and ability to benefit therefrom, and in no case supplant such State or local funds;

(12) sets forth such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the State (including such funds paid by the State to local educational agencies) under this title;

(13) provides that any local educational agency dissatisfied with final action with respect to any application for funds under this title shall be given reasonable notice and opportunity for a hearing;

(14) provides assurance that the requirements of section 106 will be complied with on all construction projects in the State assisted under this title;

(15) provides for compliance with the requirments with respect to the use of funds set forth in section 122(c);

(16) provides that grants made from sums appropriated under section 102(b) shall (A) be allocated within the State to areas of high concentration of youth unemployment and school dropouts, and (B) be made only if (i) to the extent consistent with the number of students enrolled in nonprofit private schools in the area to be served whose educational needs are of the type which the program or project involved is to meet, provision has been made for the participation of such students, and (ii) effective policies and procedures will be adopted which assure that Federal funds made available under this section to accommodate students in nonprofit private schools will not be commingled with State or local funds;

(17) provides for making such reports in such form and containing such information as the Commissioner may reasonably require to carry out his functions under this title, and for keeping such records and for affording such access thereto as the Commis-

sioner may find necessary to assure the correctness and verification of such reports; and

(18) includes provisions which shall assure that funds authorized by this title will not be used for any program of vocational education (except homemaking programs under part F) which cannot be demonstrated to (A) prepare students for employment or (B) be necessary to prepare individuals for successful completion of such a program, or (C) be of significant assistance to individuals enrolled in making an informed and meaningful occupational choice.

(b) The Commissioner shall not approve a State plan under this section until he has made specific findings as to the compliance of such plan with the requirements of this part and he is satisfied that adequate procedures are set forth to insure that the assurances and provisions of such plan will be carried out.

(c)(1) The Commissioner shall not finally disapprove any plan submitted under subsection (a), or any modification thereof, without first affording the State board submitting the plan reasonable notice and opportunity for a hearing.

(2) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the State board administering a State plan approved under subsection (a), finds that—

(A) the State plan has been so changed that it no longer complies with the provisions of subsection (a), or

(B) in the administration of the plan there is a failure to comply substantially with any such provision,

the Commissioner shall notify such State board that no further payments will be made to the State under this title (or, in his discretion, further payments to the State will be limited to programs under or portions of the State plan not affected by such failure) until he is satisfied that there will no longer be any failure to comply. Until he is so satisfied, the Commissioner shall make no further payments to such State under this title (or shall limit payments to programs under or portions of the State plan not affected by such failure).

(3) A State board which is dissatisfied with a final action of the Commissioner under this subsection or subsection (b) may appeal to the United States court of appeals for the circuit in which the State is located, by filing a petition with such court within sixty days after such final action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner, or any officer designated by him for that purpose. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record the Commissioner may modify or set aside his action. The findings of the Commissioner as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further

proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court affirming or setting aside, in whole or in part, any action of the Commissioner shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this subsection shall not, unless so specifically ordered by the court, operate as a stay of the Commissioner's action.

(d)(1) If any local educational agency is dissatisfied with the final action of the State board with respect to approval of an application by such local agency for a grant pursuant to this title, such local agency may, within sixty days after such final action or notice thereof, whichever is later, file with the United States court of appeals for the circuit in which the State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the State board. The State board thereupon shall file in the court the record of the proceedings on which the State board based its action as provided in section 2112 of title 28, United States Code.

(2) The findings of fact by the State board, if supported by substantial evidence shall be conclusive; but the court, for good cause shown, may remand the case to the State board to take further evidence, and the State board may thereupon make new or modified findings of fact and may modify its previous action, and shall certify to the court the record of the further proceedings.

(3) The court shall have jurisdiction to affirm the action of the State board or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United State Code.

(20 U.S.C. 1263) Enacted Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(b), 82 Stat. 1073.

PAYMENTS TO STATES

Sec. 124. (a) The Commissioner shall pay, from the amount available to the State for grants under this part, to each State an amount equal to 50 per centum of the State and local expenditures in carrying out its State plan as approved pursuant to section 123, except that—

(1) allotments of States under section 103 from sums appropriated under section 102(b) may be used, at the discretion of the Commissioner, for paying all or part of the expenditures of the States from such allotments; and

(2) in the case of the Trust Territory of the Pacific Islands and American Samoa, such amount shall be equal to 100 per centum of such expenditures.

(b) Payments under this title may be made in installments and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments.

(c) No payments shall be made in any fiscal year under this title to any local educational agency or to any State unless the Commissioner finds, in the case of a local educational agency, that the combined fiscal effort of that agency and the State with respect to the provision of vocational education by that agency for the preceding fiscal year was not less than such combined fiscal effort for that purpose for the second preceding fiscal year or, in the case of a State, that the fiscal effort of that State for vocational education in that State for the preceding fiscal year was not less than such fiscal effort for vocational education for the second preceding fiscal year.

(20 U.S.C. 1264) Enacted Oct. 16, 1968, P.L. 90-576, Title I, sec. 101(b), 82 Stat. 1078.

Part C—Research and Training in Vocational Education

AUTHORIZATION OF GRANTS AND CONTRACTS

Sec. 131. (a) From 50 per centum of the sums available to each State for the purposes of this part the Commissioner is authorized to make grants to and contracts with institutions of higher education, public and private agencies and institutions, State boards, and, with the approval of the appropriate State board, to local educational agencies in that State for the purposes set forth in section 132, except that no grant may be made other than to a nonprofit agency or institution.

(b) The remaining 50 per centum of the sums available to each State for the purposes of this part shall be used by its State board, in accordance with its State plan, (1) for paying up to 75 per centum of the costs of the State research coordination unit, and (2) for grants to colleges and universities, and other public or nonprofit private agencies and institutions, and local educational agencies and contracts with private agencies, organizations, and institutions to pay 90 per centum of the costs of programs and projects for (i) research and training programs, (ii) experimental, developmental, or pilot programs developed by such institutions and agencies and designed to meet the special vocational needs of youths, particularly youths in economically depressed communities who have academic, socioeconomic, or other handicaps that prevent them from succeeding in the regular vocational education programs, and (iii) the dissemination of information derived from the foregoing programs or from research and demonstrations in the field of vocational education, which programs and projects have been recommended by the State research coordination unit or by the State advisory council.

(20 U.S.C. 1281) Enacted Oct. 16, 1968, P.L. 90-576, Title I, sec. 101(b), 82 Stat. 1078.

USES OF FEDERAL FUNDS

Sec. 132. The funds available for grants and contracts under section 131(a) may be used for—

(1) research in vocational education;

(2) training programs designed to familiarize persons involved in vocational education with research findings and successful pilot and demonstration projects in vocational education;

(3) experimental, developmental, and pilot programs and projects designed to test the effectiveness of research findings;

(4) demonstration and dissemination projects;

(5) the development of new vocational education curricla; and

(6) projects in the development of new careers and occupations, such as—

(A) research and experimental projects designed to identify new careers in such fields as mental and physical health, crime prevention and correction, welfare, education, municipal services, child care, and recreation requiring less training than professional positions and to delineate within such careers roles with the potential for advancement from one level to another;

(B) training and development projects designed to demonstrate improved methods of securing the involvement, cooperation, and commitment of both the public and private sectors toward the end of achieving greater coordination and more effective implementation of programs for the employment of persons in the fields described in subparagraph (A), including programs to prepare professionals (including administrators) to work effectively with aides; and

(C) projects to evaluate the operation of programs for the training, development, and utilization of public service aides, particularly their effectiveness in providing satisfactory work experiences and in meeting public needs.

(20 U.S.C. 1282) Enacted Oct. 16, 1968, P.L. 90-576, Title I, sec. 101(b), 82 Stat. 1079.

APPLICATIONS

Sec. 133. (a) A grant or contract under section 131(a) may be made upon application to the Commissioner at such time or times, in such manner, and containing, or accompanied by, such information as the Commissioner deems necessary. Such application shall contain—

(1) a description of the nature, duration, purpose, and plan of the project;

(2) the qualifications of the principal staff who will be responsible for the project;

(3) a justification of the amount of grant funds requested;

(4) the portion of the cost to be borne by the applicant; and

(5) such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant.

(b) The Commissioner may not approve an application until such application has been reviewed by a panel of experts who are not employees of the Federal Government.

(20 U.S.C. 1283) Enacted Oct. 16, 1968, P.L. 90-576, Title I, sec. 101(b), 82 Stat. 1079.

PAYMENTS

Sec. 134. From the amount available for grants or contracts under section 131(a), the Commissioner shall pay to each applicant part of the amount expended by such applicant in accordance with the application approved pursuant to section 133.

(20 U.S.C. 1284) Enacted Oct. 16, 1968, P.L. 90-576, Title I, sec. 101(b), 82 Stat. 1080.

PART D—EXEMPLARY PROGRAMS AND PROJECTS

FINDINGS AND PURPOSE

SEC. 141. The Congress finds that it is necessary to reduce the continuing seriously high level of youth unemployment by developing means for giving the same kind of attention as is now given to the college preparation needs of those young persons who go on to college, to the job preparation needs of the two out of three young persons who end their education at or before completion of the secondary level, too many of whom face long and bitter months of job hunting or marginal work after leaving school. The purposes of this part, therefore, are to stimulate, through Federal financial support, new ways to create a bridge between school and earning a living for young people, who are still in school, who have left school either by graduation or by dropping out, or who are in postsecondary programs of vocational preparation, and to promote cooperation between public education and manpower agencies.

(20 U.S.C. 1301) Enacted Oct. 24, 1968, P.L. 90-576, Title I, sec. 101(b), 82 Stat. 1080.

AUTHORIZATION OF GRANTS AND CONTRACTS

SEC. 142. (a) There are hereby authorized to be appropriated $15,000,000 for the fiscal year ending June 30, 1969, $57,500,000 for the fiscal year ending June 30, 1970, and $75,000,000 for each of the two succeeding fiscal years to enable the Commissioner to carry out the provisions of this part.

(b) (1) From the sums appropriated pursuant to this part the Commissioner shall reserve such amount, but not in excess of 3 per centum thereof, as he may determine and shall allot such amount among Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territories of the Pacific Islands according to their respective needs for assistance under this part.

(2) From the remainder of such sums the Commissioner shall allocate $200,000 to each State (except for those provided for in paragraph (1)), and he shall in addition allocate to each such State an amount which bears the same ratio to any residue of such remainder as the population aged fifteen to nineteen, both inclusive, in the State bears to the population of such ages in all such States.

(c) From 50 per centum of the sums allotted to each State for the purposes of this part, the Commissioner is authorized to make grants to or contracts with State boards or local educational agencies for the purpose of stimulating and assisting in the development, establishment, and operation of programs or projects designed to carry out the purposes of this part. The Commissioner also may make, in such State from such sums, grants to other public or nonprofit private agencies, organizations, or institutions, or contracts with public or private agencies, organizations, or institutions, when such grants or contracts will make an especially significant contribution to attaining the objectives of this part.

(d) The State board may use the remaining 50 per centum of such sums for making grants to local educational agencies or other public or nonprofit private agencies, organizations, or institutions, or contracts with public or private agencies, organizations, or institutions including business and industrial concerns, upon such terms and conditions consistent with the provisions of this part and with its State plan approved pursuant to section 123, as it determines will most effectively carry out the development, establishment, and operation of exemplary and innovative occupational education programs or projects designed to serve as models for use in vocational education programs.

(20 U.S.C. 1302) Enacted Oct. 24, 1968, P.L. 90-576, Title I, sec. 101(b), 82 Stat. 1080.

USES OF FUNDS

SEC. 143. (a) Grants or contracts pursuant to this part may be made, upon terms and conditions consistent with the provisions of this part, to pay all or part of the cost of—

(1) planning and developing exemplary programs or projects such as those described in paragraph (2), or

(2) establishing, operating, or evaluating exemplary programs or projects designed to carry out the purposes set forth in section 141, and to broaden occupational aspirations and opportunities for youths, with special emphasis given to youths who have academic, socioeconomic, or other handicaps, which programs or projects may, among others, include—

(A) those designed to familiarize elementary and secondary school students with the broad range of occupations for which special skills are required and the requisites for careers in such occupations;

(B) programs or projects for students providing educational experiences through work during the school year or in the summer;

(C) programs or projects for intensive occupational guidance and counseling during the last years of school and for initial job placement;

(D) programs or projects designed to broaden or improve vocational education curriculums;

(E) exchanges of personnel between schools and other agencies, institutions, or organizations participating in activities to achieve the purposes of this part, including manpower agencies and industry;

(F) programs or projects for young workers released from their jobs on a part-time basis for the purpose of increasing their educational attainment; and

(G) programs or projects at the secondary level to motivate and provide preprofessional preparation for potential teachers for vocational education.

(b)(1) A grant or contract pursuant to this part may be made only if the Commissioner is in the case of grants or contracts made by him, or the State board, in the case of grants or contracts made by it, determines—

(A) that effective procedures will be adopted by grantees and contractors to coordinate the development and operation of other programs and projects carried out under grants or contracts pursuant to this part, with the appropriate State plan, and with other public and private programs having the same or similar purposes;

(B) that to the extent consistent with the number of students enrolled in nonprofit private schools in the area to be served whose educational needs are of the type which the program or project involved is to meet, provision has been made for the participation of such students; and

(C) that effective policies and procedures will be adopted which assure that Federal funds made available under this part will not be commingled with State or local funds.

(2) The amount available to a State pursuant to section 142(d) shall be available for obligation for grants or contracts pursuant to the State plan approved under section 123, for paying all of the cost of programs described in section 142(d) and section 143(a) during that year and the succeeding fiscal year.

(3) No grant or contract (other than a grant or contract with a State board) shall be made by the Commissioner under section 142(c) with respect to any program or project unless such program or project has been submitted to the State board in the State in which it is to be conducted and has not been disapproved by the State board within sixty days of such submission or within such longer period of time as the Commissioner may determine pursuant to regulations.

(4) Notwithstanding any other provision of law, unless hereafter enacted expressly in limitation of the provisions of this paragraph, funds available to Commissioner pursuant to section 142(c) shall remain available until expended.

(20 U.S.C. 1303) Enacted Oct. 16, 1968, P.L. 90–576, Title IV, sec. 101(b), 82 Stat. 1081.

PAYMENTS

SEC. 144. From the amount available for grants and contracts, under this part pursuant to section 142(c), in the appropriate State, the Commissioner shall pay to each applicant an amount equal to the amount expended by such applicant in accordance with the approved application. Such payment may be made on such terms as are approved in such application. Payment pursuant to grants under this part may be made in installments, and in advance or by way of reimbursement, with necessary adjustments on account of overpayments or underpayments, as the Commissioner may determine.

(20 U.S.C. 1304) Enacted Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(b), 82 Stat. 1082.

LIMITATION ON DURATION OF ASSISTANCE

SEC. 145. Financial assistance may not be given under this part to any program or project for a period exceeding three years.

(20 U.S.C. 1305) Enacted Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(b), 82 Stat. 1082.

Part E—Residential Vocational Education

DEMONSTRATION SCHOOLS

Sec. 151. (a) For the purpose of demonstrating the feasibility and desirability of residential vocational education schools for certain youths of high school age, the Commissioner is authorized to make grants, out of sums appropriated pursuant to subsection (b) to State boards, to colleges and universities, and with the approval of the appropriate State board, to public educational agencies, organizations or institutions for the construction, equipment, and operation of residential schools to provide vocational education (including room, board, and other necessities) for youths, at least fifteen years of age and less than twenty-one years of age at the time of enrollment, who need full-time study on a residential basis in order to benefit fully from such education. In making such grants, the Commissioner shall give special consideration to the needs of large urban areas having substantial numbers of youths who have dropped out of school or are unemployed and shall seek to attain, as nearly as practicable in the light of the purposes of this section, an equitable geographical distribution of such schools.

(b) There are authorized to be appropriated for the purpose of this section $25,000,000 for the fiscal year ending June 30, 1969, $30,000,000 for the fiscal year ending June 30, 1970, and $35,000,000 each for the fiscal year ending June 30, 1971, and for the succeeding fiscal year.

(20 U.S.C. 1321) Enacted Oct. 16, 1968, P.L. 90-576, Title I, sec. 101(b), 82 Stat. 1082.

STATE PROGRAMS

Sec. 152. (a)(1) There are hereby authorized to be appropriated $15,000,000 for the fiscal year ending June 30, 1969, and for each of the succeeding fiscal years ending prior to July 1, 1972, for grants to the States to provide residential vocational education facilities in accordance with the provisions of this section.

(2) From the sums appropriated under paragraph (1), the Commissioner shall allot to each State an amount which bears the same ratio to such sums as the population of each State bears to the population of all the States.

(3) For purposes of this section—

(A) the term "State" does not include Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands;

(B) the amount allotted under this subsection to any State for the fiscal year ending June 30, 1969, shall be available for payments to applicants with approved applications in that State during that year and the next fiscal year; and

(C) the amount of any State's allotment under subsection (a)(2) for any fiscal year, which the Commissioner determines will not be required for such fiscal year for carrying out the State's plan approved under subsection (b), shall be available for reallotment from time to time, on such dates during such year as the Commissioner may fix, and on the basis of such factors as he determines to be equitable and reasonable, to other States which as determined by the Commissioner are able to use without delay any amounts so reallotted for the purposes set forth in subsection (b). Any amount reallotted to a State under this paragraph during such year shall be deemed part of its allotment for such year.

(b)(1) Funds allotted to the States under subsection (a) shall be used by the States, or, with the approval of the State boards, by public educational agencies, organizations, or institutions within such State, to pay the Federal share of the cost of planning, constructing, and operating residential vocational education facilities to provide vocational education (including room, board, and other necessities) for youths, at least age fourteen but who have not attained age twenty-one at the time of admission to the training program, who need full-time study on a residential basis and who can profit from vocational education instruction. In the administration of the program conducted under this section, special consideration shall be given to needs in geographical areas having substantial or disproportionate numbers of youths who have dropped out of school or are unemployed, and to serving persons from such areas.

(2) For purposes of this section, the Federal share of the cost of planning, constructing, and operating residential vocational education facilities shall not exceed 90 per centum of the costs incurred in any fiscal year.

(c) For purposes of this section the State plan approved under section 123 shall set forth the policies and procedures to be used by the State in determining the size and location of such residential vocational facilities, taking into account the use of existing vocational education facilities. Such policies and procedures must give assurance that—

(1) adequate provision will be made for the appropriate selection without regard to sex, race, color, religion, national origin or place of residence within the State of students needing education and training at such school;

(2) the residential school facility will be operated and maintained for the purpose of conducting a residential vocational education school program;

(3) vocational course offerings at such school will include fields for which available labor market analyses indicate a present or continuing need for trained manpower, and that the courses offered will be appropriately designed to prepare enrollees for entry into employment or advancement in such fields; and

(4) no fees, tuition, or other charges will be required of students who occupy the residential vocational education facility.

(d) For purposes of this section—

(1) the term "residential school facility" means a school facility (as defined in section 108(3)), used for residential vocational education purposes. Such term also includes dormitory, cafeteria, and recreational facilities, and such other facilities as the Commissioner determines are appropriate for a residential vocational education school,

(2) the term "operation" means maintenance and operation, and includes the cost of salaries, equipment, supplies, and materials, and may include but is not limited to other reasonable costs of

services and supplies needed by residential students, such as clothing and transportation.

(20 U.S.C. 1322) Enacted Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(b), 82 Stat. 1083; amended April 13, 1970, P.L. 91–230, Title VII, sec. 704(a), 84 Stat. 189.

GRANTS TO REDUCE BORROWING COSTS FOR SCHOOLS AND DORMITORIES

SEC. 153. (a) The Commissioner is authorized to make annual grants to State boards, to colleges and universities, and with the approval of the appropriate State board, to public educational agencies, organizations, or institutions to reduce the cost of borrowing funds for the construction of residential schools and dormitories to provide vocational education for youths, at least fourteen years of age and less than twenty-one years of age at the time of enrollment, who need full-time study on a residential basis in order to benefit fully from such education. In making contracts for such grants, the Commissioner shall give special consideration to the needs of urban and rural areas having substantial numbers of youths who have dropped out of school or are unemployed and shall seek to attain an equitable geographical distribution of such schools.

(b) Annual grants with respect to the construction of any such residential school shall be made over a fixed period not exceeding forty years, and provision for such grants shall be embodied in a contract guaranteeing their payment over such period. Each such grant shall be in an amount equal to the difference between (1) the average annual debt service required to be paid, during the life of the loan, on the amount borrowed for the construction of such facilities, and (2) the average annual debt service which the institution would be required to pay, during the life of the loan, with respect to such amounts if the applicable interest rate were 3 per centum per annum.

(c) The Commissioner shall not enter into a contract for grants under this section unless he determines that the amount borrowed does not exceed the total cost of construction of the facilities, and that such construction will be undertaken in an economical manner and will not be of elaborate or extravagant design or materials.

(d)(1) There are hereby authorized to be appropriated such sums as may be necessary for the payment of annual grants in accordance with this section.

(2) Contracts for annual grants under this section shall not be entered into for an aggregate amount greater than is authorized in appropriation Acts; and in any event the total amount of annual grants which may be paid in any year pursuant to contracts entered into under this section shall not exceed $5,000,000, which amount shall be increased by $5,0000,000 on July 1, 1970, and on July 1, 1971.

(20 U.S.C. 1323) Enacted Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(b), 82 Stat. 1084; amended April 13, 1970, P.L. 91–230, Title VII, sec. 704(b), 84 Stat. 189.

PART F—CONSUMER AND HOMEMAKING EDUCATION

AUTHORIZATION

SEC. 161. (a)(1) There are hereby authorized to be appropriated for the fiscal year ending June 30, 1970, $25,000,000, for the fiscal year ending June 30, 1971, $35,000,000, and for the fiscal year ending

June 30, 1972, $50,000,000, for the purposes of this part. From the sums appropriated pursuant to this paragraph for each fiscal year, the Commissioner shall allot to each State an amount which shall be computed in the same manner as allotments to States under section 103 except that, for the purposes of this section, there shall be no reservation of 10 per centum of such sums for research and training programs and 100 per centum of the amount appropriated pursuant to this section shall be allotted among the States.

(2) The amount of any State's allotment under paragraph (1) for any fiscal year which the Commissioner determines will not be required for such fiscal year for carrying out the part of the State's plan approved under subsection (b) shall be available for reallotment from time to time, on such dates during such year as the Commissioner may fix, and on the basis of such factors as he determines to be equitable and reasonable, to other States which, as determined by the Commissioner, are able to use without delay any amounts so reallotted for the purposes set forth in subsection (b). Any amount reallotted to a State under this paragraph during such year shall be deemed part of its allotment for such year.

(b) For purposes of this part the State plan approved under section 123 shall set forth a program under which Federal funds paid to a State from its allotment under subsection (a) will be expended solely for (1) educational programs which (A) encourage home economics to give greater consideration to social and cultural conditions and needs, especially in economically depressed areas, (B) encourage preparation for professional leadership, (C) are designed to prepare youths and adults for the role of homemaker, or to contribute to the employability of such youths and adults in the dual role of homemaker and wage earner, (D) include consumer education programs including promotion of nutritional knowledge and food use and the understanding of the economic aspects of food use and purchase, and (E) are designed for persons who have entered, or are preparing to enter, the work of the home, and (2) ancillary services, activities and other means of assuring quality in all homemaking education programs, such as teacher training and supervision, curriculum development research, program evaluation, special demonstration and experimental programs, development of instructional materials, provision of equipment, and State administration and leadership.

(c) From a State's allotment under this section for the fiscal year ending June 30, 1970, and for each fiscal year thereafter, the Commissioner shall pay to such State an amount equal to 50 per centum of the amount expended for the purposes set forth in subsection (b), except that, for the fiscal year ending June 30, 1970, and the two succeeding fiscal years, the Commissioner shall pay an amount equal to 90 per centum of the amount used in areas described in subsection (d). No State shall receive payments under this section for any fiscal year in excess of its allotment under subsection (a) for such fiscal year.

(d) At least one-third of the Federal funds made available under this section shall be used in economically depressed areas or areas with high rates of unemployment for programs designed to assist consumers and to help improve home environments and the quality of family life.

(20 U.S.C. 1341) Enacted Oct. 16, 1968, P.L. 90-576, Title I, sec. 101(b), 82 Stat. 1085; amended April 13, 1970, P.L. 91-230, Title VII, sec. 705, 84 Stat. 189.

PART G—COOPERATIVE VOCATIONAL EDUCATION PROGRAMS

FINDINGS AND PURPOSE

SEC. 171. The Congress finds that cooperative work-study programs offer many advantages in preparing young people for employment. Through such programs, a meaningful work experience is combined with formal education enabling students to acquire knowledge, skills, and appropriate attitudes. Such programs remove the artificial barriers which separate work and education and, by involving educators with employers, create interaction whereby the needs and problems of both are made known. Such interaction makes it possible for occupational curricula to be revised to reflect current needs in various occupations. It is the purpose of this part to assist the State to expand cooperative work-study programs by providing financial assistance for personnel to coordinate such programs, and to provide instruction related to the work experience; to reimburse employers when necessary for certain added costs incurred in providing on-the-job training through work experience; and to pay costs for certain services, such as transportation of students or other unusual costs that the individual students may not reasonably be expected to assume while pursuing a cooperative work-study program.

(20 U.S.C. 1351) Enacted Oct. 16, 1968, P.L. 90-576, Title I, sec. 101(b), 82 Stat. 1086.

AUTHORIZATIONS AND ALLOTMENTS

SEC. 172. (a) There is authorized to be appropriated for the fiscal year ending June 30, 1969, $20,000,000, for the fiscal year ending June 30, 1970, $35,000,000, for the fiscal year ending June 30, 1971, $50,000,000, and for the fiscal year ending June 30, 1972, $75,000,000, for making grants to the States for programs of vocational education designed to prepare students for employment through cooperative work-study arrangements.

(b)(1) From the sums appropriated pursuant to this section for each fiscal year, the Commissioner shall reserve such amount, but not in excess of 3 per centum thereof, as he may determine, and shall apportion such amount among Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands according to their respective needs for assistance under this section. From the remainder of such sums the Commissioner shall allocate $200,000 to each State, and he shall in addition allocate to each State an amount which bears the same ratio to any residue of such remainder as the population aged fifteen to nineteen, both inclusive, in the State bears to the population of such ages in all the States. For purposes of the preceding sentence, the term "State" does not include the areas referred to in the first sentence of this paragraph.

(2) The amount of any State's allotment under this section for any fiscal year which the Commissioner determines will not be required for such fiscal year for carrying out the part of the State's plan approved under section 173 shall be available for reallotment from time to time, on such dates during such year as the Commissioner may fix, and on the basis of such factors as he determines to be equitable and reasonable, to

other States which as determined by the Commissioner are able to use without delay any accounts so realloted for the purposes set forth in section 173. Any amount reallotted to a State under this paragraph during such year shall be deemed part of its allotment for such year.

(3) The population of particular age groups of a State or of all the States shall be determined by the Commissioner on the basis of the latest available estimates furnished by the Department of Commerce.

(20 U.S.C. 1352) Enacted Oct. 16, 1968, P.L. 90-576, Title I, sec. 101(b), 82 Stat. 1086.

PLAN REQUIREMENT

Sec. 173. (a) A State, in order to participate in the program authorized by this part, shall submit, as part of its State plan, to the Commissioner, through its State board, a plan which shall set forth policies and procedures to be used by the State board in establishing cooperative work-study programs through local educational agencies with participation of public and private employers. Such policies and procedures must give assurance that—

(1) funds will be used only for developing and operating cooperative work-study programs as defined in section 175 which provide training opportunities that may not otherwise be available and which are designed to serve persons who can benefit from such programs;

(2) necessary procedures are established for cooperation with employment agencies, labor groups, employers, and other community agencies in identifying suitable jobs for persons who enroll in cooperative work-study programs;

(3) provision is made for reimbursement of added costs to employers for on-the-job training of students enrolled in cooperative programs, provided such on-the-job training is related to existing carrier opportunities susceptible of promotion and advancement and does not displace other workers who perform such work;

(4) ancillary services and activities to assure quality in cooperative work-study programs are provided for, such as preservice and inservice training for teacher coordinates, supervision, curriculum materials, and evaluation;

(5) priority for funding cooperative work-study programs through local educational agencies, is given to areas that have high rates of school dropouts and youth unemployment;

(6) to the extent consistent with the number of students enrolled in nonprofit private schools in the area to be served, whose educational needs are of the type which the program or project involved is to meet, provision has been made for the participation of such students;

(7) Federal funds made available under this part will not be commingled with State or local funds; and

(8) such accounting, evaluation, and follow-up procedures as the Commissioner deems necessary will be provided.

(b) The Commissioner shall approve such part of its State plan which fulfills the conditions specified above, and the provisions of part

B (relating to the disapproval of State plans) shall apply to this section.

(20 U.S.C. 1353) Enacted Oct. 16, 1968, P.L. 90-576, Title I, sec. 101(b), 82 Stat. 1087.

USE OF FUNDS

Sec. 174. Funds allocated under this part for cooperative work-study programs shall be available for paying all or part of the State's expenditures under its State plan for this part for any fiscal year, but not in excess of its allotment under section 172.

(20 U.S.C. 1354) Enacted Oct. 16, 1968, P.L. 90-576, Title I, sec. 101(b), 82 Stat. 1087.

DEFINITION

Sec. 175. For purposes of this part, the term "cooperative work-study program" means a program of vocational education for persons who, through a cooperative arrangement between the school and employers, receive instruction, including required academic courses and related vocational instruction by alternation of study in school with a job in any occupational field, but these two experiences must be planned and supervised by the school and employers so that each contributes to the student's education and to his employability. Work periods and school attendance may be on alternate half-days, full-days, weeks, or other periods of time in fulfilling the cooperative work-study program.

(20 U.S.C. 1355) Enacted Oct. 16, 1968, Title I, P.L. 90-576, sec. 101(b), 82 Stat. 1087.

Part H—Work-Study Programs for Vocational Education Students

AUTHORIZATION OF APPROPRIATIONS AND ALLOTMENT

Sec. 181. (a) There are hereby authorized to be appropriated $35,000,000 for each of the fiscal years ending June 30, 1969 and June 30, 1970, $45,000,000 for the fiscal year ending June 30, 1972, for the purposes of this part.

(b)(1) From the sums appropriated pursuant to this section for each fiscal year, the Commissioner shall allot to each State an amount which bears the same ratio to such sums for such year as the population aged fifteen to twenty, inclusive, of the State, in the preceding fiscal year bears to the population aged fifteen to twenty, inclusive, of all the States in such preceding year.

(2) The amount of any State's allotment under paragraph (1) for any fiscal year which the Commissioner determines will not be required for such fiscal year for carrying out the part of the State's plan approved pursuant to section 182 shall be available for reallotment from time to time, on such dates during such year as the Commissioner may fix, to other States in proportion to the original allotments to such States under paragraph (1) for such year, but with such proportionate amount for any such other States being reduced to the extent it exceeds the sum the Commissioner estimates such State needs and will be able to use for such year and the total of such reductions shall be similarly reallotted among the States not suffering such a reduction.

Any amount reallotted to a State under this paragraph during such year shall be deemed part of its allotment for such year.

(20 U.S.C. 1371) Enacted Oct. 16, 1968, P.L. 90-576, Title I, sec. 101(b), 82 Stat. 1088; amended April 13, 1970, P.L. 91-230, Title VII, sec. 706(a), 84 Stat. 189.

PLAN REQUIREMENTS

SEC. 182. (a) To be eligible to participate in the program authorized by this part, a State shall submit as a part of its State plan through its State board to the Commissioner a plan, in such detail as the Commissioner determines necessary, which—

(1) designates the State board as the sole agency for administration of the plan, or for supervision of the administration thereof by local educational agencies;

(2) sets forth the policies and procedures to be followed by the State in approving work-study programs, under which policies and procedures funds paid to the State from its allotment under section 181 will be expended solely for the payment of compensation of students employed pursuant to work-study programs which meet the requirements of subsection (b), except that not to exceed 1 per centum of any such allotment, or $10,000, whichever is the greater, may be used to pay the cost of developing the plan required by this section and the cost of administering such plan after its approval under this section;

(3) sets forth principles for determining the priority to be accorded applications from local educational agencies for work-study programs, which principles shall give preference to applications submitted by local educational agencies serving communities having substantial numbers of youths who have dropped out of school or who are unemployed, and provides for undertaking such programs, insofar as financial resources available therefor make possible in the order determined by the application of such principles;

(4) sets forth such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid to the State (including such funds paid by the State to local educational agencies) under this part; and

(5) provides for making such reports in such form and containing such information as the Commissioner may reasonably require to carry out his functions under this part, and for keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(b) For the purposes of this section, a work-study program shall—

(1) be administered by the local educational agency and made reasonably available (to the extent of available funds) to all youths in the area served by such agency who are able to meet the requirements of paragraph (2);

(2) provide that employment under such work-study program shall be furnished only to a student who (A) has been accepted for enrollment as a full-time student in a vocational education program which meets the standards prescribed by the State board and the local educational agency for vocational education pro-

grams assisted under this title, or in the case of a student already enrolled in such a program, is in good standing and in full-time attendance, (B) is in need of the earnings from such employment to commence or continue his vocational education program, and (C) is at least fifteen years of age and less than twenty-one years of age at the commencement of his employment, and is capable, in the opinion of the appropriate school authorities, of maintaining good standing in his vocational education program while employed under the work-study program;

(3) provide that no student shall be employed under such work-study program for more than fifteen hours in any week in which classes in which he is enrolled are in session, or for compensation which exceeds $45 in any month or $350 in any academic year or its equivalent, unless the student is attending a school which is not within reasonable commuting distance from his home, in which case his compension may not exceed $60 in any month or $500 in any academic year or its equivalent;

(4) provide that employment under such work-study program shall be for the local educational agency or for some other public agency or institution; and

(5) provide that, in each fiscal year during which such program remains in effect, such agency shall expend (from sources other than payments from Federal funds under this section) for the employment of its students (whether or not in employment eligible for assistance under this section) an amount that is not less than its average annual expenditure for work-study programs of a similar character during the three fiscal years preceding the fiscal year in which its work-study program under this section is approved.

(c) The provisions of part B shall be applicable to the Commissioner's actions with respect to plans submitted under this section.

(20 U.S.C. 1372) Enacted Oct. 16, 1968, P.L. 90-576, Title I, sec. 101(b), 82 Stat. 1088.

PAYMENTS

Sec. 183. (a) From a State's allotment under this section for the fiscal year ending June 30, 1969, and for any succeeding fiscal year, the Commissioner shall pay to such State an amount equal to 80 per centum of (1) the amount expended for compensation of students employed pursuant to work-study programs under the part of the State's plan approved under section 182, plus (2) an amount, not to exceed 1 per centum of such allotment, or $10,000, whichever is the greater, expended for the development of such plan and for the administration of such plan after its approval by the Commissioner. No State shall receive payments under this section for any fiscal year in excess of its allotment under section 181 for such fiscal year.

(b) Such payments (adjusted on account of overpayments or underpayments previously made) shall be made by the Commissioner in advance on the basis of such estimates, in such installments, and at such times, as may be reasonably required for expenditures by the States of the funds alloted under section 181.

(20 U.S.C. 1373) Enacted Oct. 16, 1968, P.L. 90-576, Title I, sec. 101(b), 82 Stat. 1089; amended April 13, 1970, P.L. 91-230, Title VII, sec. 706(b), 84 Stat. 189.

STATUS OF PARTICIPANTS

SEC. 184. Students employed in work-study programs under this part shall not by reason of such employment be deemed employees of the United States, or their service Federal service, for any purpose.

(20 U.S.C. 1374) Enacted Oct. 16, 1968, P.L. 90-576, Title I, sec. 101(b), 82 Stat. 1090.

PART I—CURRICULUM DEVELOPMENT IN VOCATIONAL AND TECHNICAL EDUCATION

AUTHORIZATION

SEC. 191. (a) The Congress finds that curriculum development in vocational education is complicated by the diversity of occupational objectives; variations due to geography; differences in educational levels and types of programs; and by the wide range of occupations which includes, but is not limited to, agriculture, food processing and preparation, trades and industry, distribution and marketing, technical, public service, health services, business, and office occupations. It is therefore the purpose of this section to enable the Commissioner to provide appropriate assistance to State and local educational agencies in the development of curriculums for new and changing occupations, and to coordinate improvements in, and dissemination of, existing curriculum materials.

(b) There are authorized to be appropriated $7,000,000 for the fiscal year ending June 30, 1969, and $10,000,000 for each of the succeeding fiscal years ending prior to July 1, 1972, for the purposes set forth in this section.

(c)(1) Sums appropriated pursuant to subsection (b) shall be used by the Commissioner, after consultation with the appropriate State agencies and the National Council, to make grants to or contracts with colleges or universities, State boards, and other public or nonprofit private agencies and institutions, or contracts with public or private agencies, organizations, or institutions—

(A) to promote the development and dissemination of vocational education curriculum materials for use in teaching occupational subjects, including curriculums for new and changing occupational fields;

(B) to develop standards for curriculum development in all occupational fields;

(C) to coordinate efforts of the States in the preparation of curriculum materials and prepare current lists of curriculum materials available in all occupational fields;

(D) to survey curriculum materials produced by other agencies of Government, including the Department of Defense;

(E) to evaluate vocational-technical education curriculum materials and their uses; and

(F) to train personnel in curriculum development.

(2) For purposes of this subsection "curriculum materials" means materials consisting of a series of courses to cover instruction in any occupational field in vocational education which are designed to prepare persons for employment at the entry level or to upgrade occupa-

tional competencies of those previously or presently employed in any occupational field.

(20 U.S.C. 1391) Enacted Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(b), 82 Stat. 1090; amended April 13, 1970, P.L. 91–230, Title VII, sec. 707, 84 Stat. 189.

LEGISLATIVE HISTORY

(P.L. 88–210)

House Reports: No. 393 (Committee on Education and Labor), No. 1025 (Committee of conference).

Senate Report No. 553 (Committee on Labor and Public Welfare).

Congressional Record, volume 109 (1963):

- **August 6: Considered and passed House.**
- **October 3, 7: Considered in Senate.**
- **October 8: Considered and passed Senate, amended.**
- **October 29: House agreed to conference.**
- **December 12: House agreed to conference report.**
- **December 13: Senate agreed to conference report.**

Approved: December 18, 1963.

(P.L. 90–576)

House Reports: No. 1674 (Committee on Education and Labor), No. 1938 (Committee on Conference).

Senate Report No. 1386 accompanying S. 3770 (Committee on Labor and Public Welfare).

Congressional Record, volume 114 (1968):

- **July 15: Considered and passed House.**
- **July 15, 17: Considered and passed Senate, amended, in lieu of S. 3770.**
- **October 1, 2: Senate considered and agreed to conference report.**
- **October 3: House agreed to conference report.**

Approved: October 16, 1968.

(P.L. 91–230)

House Reports: No. 91–114 (Committee on Education and Labor) and No. 91–937 (committee of conference).

Senate Report No. 91–634 (Committee on Labor and Public Welfare). Congressional Record:

- Volume 115 (1969):
  - April 23, considered and passed House.
- Volume 116 (1970):
  - February 4–6, 9, 10, 16–18, considered in Senate.
  - February 19, considered and passed Senate, amended.
  - March 24, 25, Senate considered conference report.
  - April 1, Senate agreed to conference report.
  - April 7, House agreed to conference report.

Approved: April 13, 1970.

VOCATIONAL EDUCATION AMENDMENTS OF 1968

(P.L. 90–576)

AN ACT To amend the Vocational Education Act of 1963, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

SHORT TITLE

SECTION 1. This Act may be cited as the "Vocational Education Amendments of 1968".

TITLE I—AMENDMENTS TO THE VOCATIONAL EDUCATION ACT OF 1963

* * * * * * *

EFFECTIVE DATE[1]

SEC. 102. (a) Except as provided in subsection (b), the amendments made by section 101 shall become effective upon enactment.

(b) The amendments made by this Act to the Vocational Education Act of 1963 shall not, during the fiscal year ending June 30, 1969, apply with respect to programs which are continuations of programs (including programs under part H) carried on under any State's plan during the preceding fiscal year.

Enacted Oct. 16, 1968, P.L. 90–576, title I, sec. 102, 82 Stat. 1091.

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USE OF FUNDS AVAILABLE UNDER THE SMITH-HUGHES ACT

SEC. 104. Funds appropriated by the first section of the Smith-Hughes Act (that is the Act approved February 23, 1917, 39 Stat. 929, as amended (20 U.S.C. 11–15, 16–28)), shall be considered as funds appropriated pursuant to section 102(a) of this Act.

Enacted Oct. 16, 1968, P.L. 90–576, title I, sec. 102, 82 Stat. 1091.

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TITLE II—VOCATIONAL EDUCATION LEADERSHIP AND PROFESSIONAL DEVELOPMENT AMENDMENT OF HIGHER EDUCATION ACT OF 1965[2]

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TITLE III—MISCELLANEOUS PROVISIONS

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PROGRAM CONSOLIDATION STUDY

SEC. 306. The Commissioner of Education shall make a study of the feasibility of consolidation of education programs in order to provide for more efficient use of Federal funds at the local level and to simplify application procedures for such funds and shall, within one year of the date of enactment of this Act, submit to the Congress a report on the results of the study and any recommendations for legislation which would facilitate consolidation of education programs.

Enacted Oct. 16, 1968, P.L. 90–576, title III, sec. 306, 82 Stat. 1097.

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[1] Section 101 amended the Vocational Education Act of 1963 "to read as follows". The act, as amended by section 101 may be found beginning on page 319.

[2] This title added a new part F to the Education Professions Development Act, which may be found beginning on page 312.

JOB CORPS STUDY

Sec. 308. (a) The Commissioner of Education is authorized and directed to make a special study of the means by which the existing Job Corps facilities and programs established under the Economic Opportunity Act of 1964 most effectively might, if determined feasible, be transferred to State or joint Federal-State operation in conjunction with the program of Residential Vocational Education authorized by part E of the Vocational Education Act of 1963.

(b) The Commissioner shall consult with other Federal officers, State boards of vocational education, and such other individuals and organizations as he may deem necessary for this study, and shall make a report of his findings and recommendations to the appropriate committees of the Congress not later than March 1, 1969.

Enacted Oct. 16, 1968, P.L. 90–576, title III, sec. 308, 82 Stat. 1097.

HEAD START STUDY

Sec. 309. The President shall make a special study of whether the responsibility for administering the Head Start program established under the Economic Opportunity Act of 1964 should continue to be vested in the Director of the Office of Economic Opportunity, should be transferred to another agency of the Government, or should be delegated to another such agency pursuant to the provisions of section 602(d) of the aforementioned Economic Opportunity Act of 1964, and shall submit the findings of this study to the Congress not later than March 1, 1969.

Enacted Oct. 16, 1968, P.L. 90–576, title III, sec. 309, 82 Stat. 1098.

Vocational Education Act of 1917 (Smith-Hughes Act)[3]

AN ACT To provide for the promotion of vocational education; to provide for cooperation with the States in the promotion of such education in agriculture and the trades and industries; to provide for cooperation with the States in the preparation of teachers of vocational subjects; and to appropriate money and regulate its expenditure.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there is hereby annually appropriated, out of any money in the Treasury not otherwise appropriated, the sums provided in sections two, three, and four of this Act, to be paid to the respective States for the purpose of cooperating with the States in paying the salaries of teachers, supervisors, and directors of agricultural subjects, and teachers of trade, home economics, and industrial subjects, and in the preparation of teachers of agricultural, trade, industrial, and home economics subjects; and the sum provided for in section seven for the use of the Federal Board for Vocational Education[4] for the administration of this Act and for the purpose of making studies, investigations, and reports to aid in the organization and to conduct of vocational education, which sums shall be expanded as hereinafter provided.

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[3] The Vocational Education Amendments of 1968 (P.L. 90–576) sec. 104 provide that funds for this act shall be transferred automatically to the Vocational Education Amendments of 1968.

[4] The operational functions of the Federal Board for Vocational Education, to which reference is made throughout this Act, were transferred to the Office of Education in the Department of Interior on June 10, 1933 (Ex. Ord. No. 6166, sec. 15), which in turn was transferred to the Federal Security Agency on July 1, 1939 (1939 Reorg. Plan No. 1, secs. 201, 204, 4 F.R. 2728, 53 Stat. 1424) and the Department of Health, Education, and Welfare on April 11, 1953 (1953 Reorg. Plan No. 1, secs. 5, 8, 18 F.R. 2053, 67 Stat. 631). The Federal Board for Vocational Education, which became an advisory body after June 10, 1933, was abolished on July 16, 1946 (1946 Reorg. Plan No. 2, sec. 8, 11 F.R. 7875, 60 Stat. 1196).

(20 U.S.C. 11) Enacted Feb. 23, 1917, C. 114, P.L. 347, 64th Cong. sec. 1, 39 Stat. 929.

SEC. 2. That for the purpose of cooperating with the States in paying the salaries of teachers, supervisors, or directors of agricultural subjects there is hereby appropriated for the use of the States, subject to the provisions of this Act, for the fiscal year ending June thirtieth, nineteen hundred and eighteen, the sum of $500,000; for the fiscal year ending June thirtieth, nineteen hundred and nineteen, the sum of $750,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty, the sum of $1,000,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-one, the sum of $1,250,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-two, the sum of $1,500,000; for fiscal year ending June thirtieth, nineteen hundred and twenty-three, the sum of $1,750,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-four, the sum of $2,000,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-five, the sum of $2,500,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-six, and annually thereafter, the sum of $3,000,000. Said sums shall be allotted to the States in the proportion which their rural population bears to the total rural population in the United States, not including outlying possessions, according to the last preceding United States census: *Provided*, That the allotment of funds to any State shall be not less than a minimum of $5,000 for any fiscal year prior to and including the fiscal year ending June thirtieth, nineteen hundred and twenty-three, nor less than $10,000 for any fiscal year thereafter, and there is hereby appropriated the following sums, or so much thereof as may be necessary, which shall be used for the purpose of providing the minimum allotment to the States provided for in this section: For the fiscal year ending June thirtieth, nineteen hundred and eighteen, the sum of $48,000; for the fiscal year ending June thirtieth, nineteen hundred and nineteen, the sum of $34,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty, the sum of $24,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-one, the sum of $18,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-two, the sum of $14,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-three, the sum of $11,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-four, the sum of $9,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-five, the sum of $34,000; and annually thereafter the sum of $28,500.

(20 U.S.C. 12) Enacted Feb. 23, 1917, C. 114, P.L. 347, 64th Cong., sec. 2, 39 Stat. 930; amended July 12, 1960, P.L. 86-624, sec. 14(b)(2), 74 Stat. 414.

SEC. 3. That for the purpose of cooperating with the States in paying the salaries of teachers of trade, home economics, and industrial subjects there is hereby appropriated for the use of the States, for the fiscal year ending June thirtieth, nineteen hundred and eighteen, the sum of $500,000; for the fiscal year ending June thirtieth, nineteen hundred and nineteen, the sum of $750,000; for the fiscal year ending

June thirtieth, nineteen hundred and twenty, the sum of $1,000,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-one, the sum of $1,250,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-two, the sum of $1,500,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-three, the sum of $1,750,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-four, the sum of $2,000,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-five, the sum of $2,500,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-six, the sum of $3,000,000; and annually thereafter the sum of $3,000,000. Said sums shall be allotted to the States in the proportion which their urban population bears to the total urban population in the United States, not including outlying possessions, according to the last preceding United States census: *Provided*, That the allotment of funds to any State shall be not less than a minimum of $5,000 for any fiscal year prior to and including the fiscal year ending June thirtieth, nineteen hundred and twenty-three, nor less than $10,000 for any fiscal year thereafter, and there is hereby appropriated the following sums, or so much thereof as may be needed, which shall be used for the purpose of providing the minimum allotment to the States provided for in this section: For the fiscal year ending June thirtieth, nineteen hundred and eighteen, the sum of $66,000; for the fiscal year ending June thirtieth, nineteen hundred and nineteen, the sum of $46,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty, the sum of $34,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-one, the sum of $28,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-two, the sum of $25,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-three, the sum of $22,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-four, the sum of $19,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-five, the sum of $56,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-six, and annually thereafter, the sum of $50,000.

That not more than twenty per centum of the money appropriated under this Act for the payment of salaries of teachers of trade, home economics, and industrial subjects, for any year, shall be expended for the salaries of teachers of home economics subjects.

(20 U.S.C. 13) Enacted Feb. 23, 1917, C. 114, P.L. 347, 64th Cong., sec. 3, 39 Stat. 930.

SEC. 4. That for the purpose of cooperating with the States in preparing teachers, supervisors, and directors of agricultural subjects and teachers of trade and industrial and home economics subjects there is hereby appropriated for the use of the States for the fiscal year ending June thirtieth, nineteen hundred and eighteen, the sum of $500,000; for the fiscal year ending June thirtieth, nineteen hundred and nineteen, the sum of $700,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty, the sum of $900,000; for the fiscal year ending June thirteenth, nineteen hundred and twenty-one, and annually thereafter the sum of $1,000,000. Said sums shall be allotted to the States in the proportion which their population bears to the total population of the United States, not including outlying possessions, according to the last preceding United States census: *Pro-*

vided, That the allotment of funds to any State shall be not less than a minimum of $5,000 for any fiscal year prior to and including the fiscal year ending June thirtieth, nineteen hundred and nineteen, nor less than $10,000 for any fiscal year thereafter. And there is hereby appropriated the following sums, or so much thereof as may be needed, which shall be used for the purpose of providing the minimum allotment provided for in this section: For the fiscal year ending June thirtieth, nineteen hundred and eighteen, the sum of $46,000; for the fiscal year ending June thirtieth, nineteen hundred and nineteen, the sum of $32,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty, the sum of $24,000; for the fiscal year ending June thirtieth, nineteen hundred and twenty-one, and annually thereafter, the sum of $105,200.

(20 U.S.C. 14) Enacted Feb. 23, 1917, C. 114, P.L. 347, 64th Cong., sec. 4, 39 Stat. 931; amended June 25, 1959, P.L. 86–70, sec. 18(b)(1), 73 Stat. 144; amended July 12, 1960, P.L. 86–624, sec. 14(b)(2), 74 Stat. 414.

SEC. 5. That in order to secure the benefits of the appropriations provided for in sections two, three, and four of this Act, any State shall, through the legislative authority thereof, accept the provisions of this Act and designate or create a State board, consisting of not less than three members, and having all necessary power to cooperate, as herein provided, with the Federal Board for Vocational Education in the administration of the provisions of this Act. The State board of education, or other board having charge of the administration of public education in the State, or any State board having charge of the administration of any kind of vocational education in the State may, if the State so elect, be designated as the State board, for the purposes of this Act.

In any State the legislature of which does not meet in nineteen hundred and seventeen, if the Governor of that State, so far as he is authorized to do so, shall accept the provisions of this Act and designate or create a State board of not less than three members to act in cooperation with the Federal Board for Vocational Education, the Federal board shall recognize such local board for the purposes of this Act until the legislature of such State meets in due course and has been in session sixty days.

Any State may accept the benefits of any one or more of the respective funds herein appropriated, and it may defer the acceptance of the benefits of any one or more of such funds, and shall be required to meet only the conditions relative to the fund or funds the benefits of which it has accepted: *Provided*, That after June thirtieth, nineteen hundred and twenty, no State shall receive any appropriation for salaries of teachers, supervisors, or directors of agricultural subjects, until it shall have taken advantage of at least the minimum amount appropriated for the training of teachers, supervisors, or directors of agricultural subjects, as provided for in this Act, and that after said date no State shall receive any appropriation for the salaries of teachers of trade, home economics, and industrial subjects until it shall have taken advantage of at least the minimum amount appropriated for the training of teachers of trade, home economics, and industrial subjects, as provided for in this Act.

(20 U.S.C. 16) Enacted Feb. 23, 1917, C. 114, P.L. 347, 64th Cong., sec. 5, 39 Stat. 931.

SEC. 6. Repealed Sept. 6, 1966, P.L. 89-554, sec. 8(a), 80 Stat. 643.

SEC. 7. That there is hereby appropriated to the Federal Board for Vocational Education the sum of $200,000 annually, to be available from and after the passage of this Act, for the purpose of making or cooperating in making the studies, investigations, and reports provided for in section six of this Act, and for the purpose of paying the salaries of the officers, the assistants, and such office and other expenses as the board may deem necessary to the execution and administration of this Act.[5]

(20 U.S.C. 15) Enacted Feb. 23, 1917, C. 114, P.L. 347, 64th Cong., sec. 7, 39 Stat. 933; amended Oct. 6, 1917, C. 79, P.L. 64, 65th Cong., sec. 1, 40 Stat. 345; amended June 26, 1934, C. 756, P.L. 473, 73rd Cong., sec. 2, 49 Stat. 1226.

SEC. 8. That in order to secure the benefits of the appropriation for any purpose specified in this Act the State board shall prepare plans showing the kinds of vocational education for which it is proposed that the appropriation shall be used; the kinds of schools and equipment; courses of study; methods of instruction; qualifications of teachers; and, in the case of agricultural subjects the qualifications of supervisors or directors; plans for the training of teachers; and, in the case of agricultural subjects, plans for the supervision of agricultural education, as provided for in section ten. Such plans shall be submitted by the State board to the Federal Board for Vocational Education, and if the Federal board finds the same to be in conformity with the provisions and purposes of this Act, the same shall be approved. The State board shall make an annual report to the Federal Board for Vocational Education, on or before September first of each year, on the work done in the State and the receipts and expenditures of money under the provisions of this Act.

(20 U.S.C. 18) Enacted Feb. 23, 1917, C. 114, P.L. 347, 64th Cong., sec. 8, 39 Stat. 933.

SEC. 9. That the appropriation for the salaries of teachers, supervisors, or directors of agricultural subjects and of teachers of trade, home economics, and industrial subjects shall be devoted exclusively to the payment of salaries of such teachers, supervisors, or directors having the minimum qualifications set up for the State by the State board, with the approval of the Federal Board for Vocational Education. The cost of instruction supplementary to the instruction in agricultural and in trade, home economics, and industrial subjects provided for in this Act, necessary to build a well-rounded course of training, shall be borne by the State and local communities, and no part of the cost thereof shall be borne out of the appropriations herein made. The moneys expended under the provisions of this Act, in cooperation with the States, for the salaries of teachers, supervisors, or directors of agricultural subjects, or for the salaries of teachers of trade, home economics, and industrial subjects, shall be conditioned that for each dollar of Federal money expended for such salaries the State or local community, or both, shall expend an equal amount for such salaries; and that appropriations for the training of teachers of vocational subjects, as herein provided, shall be conditioned that such money be expended for maintenance of such training and that for each dollar of Federal money so expended for maintenance, the State or local community, or both, shall expend an equal amount for the maintenance of such training.

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[5] Effective July 1, 1935, the permanent appropriation for salaries and expenses provided for in this section was repealed by the act of June 26, 1934 (P.L. 473, 73d Cong.), such act authorizing in lieu thereof annual appropriations from the general fund of the Treasury in identical terms and in such amounts as provided by the laws making such permanent appropriations.

(20 U.S.C. 19) Enacted Feb. 23, 1917, C. 114, P.L. 347, 64th Cong., sec. 9, 39 Stat. 933.

SEC. 10. That any State may use the appropriation for agricultural purposes, or any part thereof allotted to it, under the provisions of this Act, for the salaries of teachers, supervisors, or directors of agricultural subjects, either for the salaries of teachers of such subjects in schools or classes or for the salaries of supervisors or directors of such subjects under a plan of supervision for the State to be set up by the State board, with the approval of the Federal Board for Vocational Education. That in order to receive the benefits of such appropriation for the salaries of teachers, supervisors, or directors of agricultural subjects the State board of any State shall provide in its plan for agricultural education that such education shall be that which is under public supervision or control; that the controlling purpose of such education shall be to fit for useful employment; that such education shall be of less than college grade and be designed to meet the needs of persons over fourteen years of age who have entered upon or who are preparing to enter upon the work of the farm or of the farm home;[6] that the State or local community, or both, shall provide the necessary plant and equipment determined upon by the State board, with the approval of the Federal Board for Vocational Education, as the minimum requirement for such education in schools and classes in the State; that the amount expended for the maintenance of such education in any school or class receiving the benefit of such appropriation shall be not less annually than the amount fixed by the State board, with the approval of the Federal board as the minimum for such schools or classes in the State; that such schools shall provide for directed or supervised practice in agriculture, either on a farm provided for by the school or other farm, for at least six months per year;[7] that the teachers, supervisors, or directors of agricultural subjects shall have at least the minimum qualifications determined for the State by the State board, with the approval of the Federal Board for Vocational Education.

(20 U.S.C. 20) Enacted Feb. 23, 1917, C. 114, P.L. 347, 64th Cong., sec. 10, 39 Stat. 394.

SEC. 11. That in order to receive the benefits of the appropriation for the salaries of teachers of trade, home economics, and industrial subjects the State board of any State shall provide in its plan for trade, home economics, and industrial education that such education shall be given in schools or classes under public supervision or control; that the controlling purpose of such education shall be to fit for useful employment,[5] that such education shall be of less than college grade and shall be designed to meet the needs of persons over fourteen years of age who are preparing for a trade or industrial pursuit or who have entered upon the work of a trade or industrial pursuit; that the State or local community, or both, shall provide the necessary plant and equipment determined upon by the State board, with the approval of the Federal Board for Vocational Education, as the minimum requirement in such State for education for any given trade or industrial pursuit; that the total amount expended for the maintenance of such education in any school or class receiving the benefit of such appropriation shall be not less annually than the amount fixed by the State board, with the approval of the Federal board, as the minimum for such schools or classes in the State; that such schools or classes giving instruction to persons who have not entered upon employment shall require that at least half of the time of such instruction be given to practical work on a useful or productive basis, such instruction to extend over not less than nine months per year and not less than thirty hours per week; that at least one-third of the sum appropriated to any State for the salaries of teachers of trade, home economics, and industrial subjects shall, if expended, be applied to part-time schools or classes for workers over fourteen years of age who have entered upon employment,[8] and such subjects in a part-time school or class may mean any subject given to enlarge the civic or vocational intelligence of such workers over fourteen and less than eighteen years of age; that such part-time schools or classes shall provide for not less than one hundred and forty-four hours of classroom instruction per year; that evening industrial schools shall fix the age of sixteen years as a minimum entrance requirement and shall confine instruction to that which is supplemental to the daily employment; that the teachers of any trade or industrial subject in any State shall have at least the minimum qualifications for teachers of such subject determined upon for such State by the State board, with the approval of the Federal Board for Vocational Education: *Provided*, That for cities and towns of less than twenty-five thousand population, according to the last preceding United States census, the State board, with the approval of the Federal Board for Vocational Education, may modify the conditions as to the length of course and hours of instruction per week for schools and classes giving instruction to those who have not entered upon employment, in order to meet the particular needs of such cities and towns.

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[6] Sec. 10(b) of the Vocational Education Act of 1963 (P.L. 88–210) modified this requirement.

[7] Sec. 10(c) of the Vocational Education Act of 1963 (P.L. 88–210) modified this requirement.

(20 U.S.C. 21) C. 114, Enacted Feb. 23, 1917, P.L. 347, 64th Cong., sec. 11, 39 Stat. 934.

Sec. 12. That in order for any State to receive the benefits of the appropriation in this Act for the training of teachers, supervisors, or directors of agricultural subjects, or of teachers of trade, industrial, or home economics subjects, the State board of such State shall provide in its plan for such training that the same shall be carried out under the supervision of the State board; that such training shall be given in schools or classes under public supervision or control; that such training shall be given only to persons who have had adequate vocational experience or contact in the line of work for which they are preparing themselves as teachers, supervisors, or directors, or who are acquiring such experience or contact as a part of their training; and that the State board, with the approval of the Federal board, shall establish minimum requirements for such experience or contact for teachers, supervisors, or directors of agricultural subjects and for teachers of trade, industrial, and home economics subjects; that not more than sixty per centum nor less than twenty per centum of the money appropriated under this Act for the training of teachers of vocational subjects to any State for any year shall be expended for any one of the following purposes: For the preparation of teachers, supervisors, or directors of agricultural subjects, or the preparation of teachers of trade and industrial subjects, or the preparation of teachers of home economics subjects.

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[8] Sec. 10(d) of the Vocational Education Act of 1963 (P.L. 88-120) modified this requirement.

(20 U.S.C. 22) Enacted Feb. 23, 1917, C. 114, P.L. 347, 64th Cong., sec. 12, 39 Stat. 935.

Sec. 13. That in order to secure the benefits of the appropriations for the salaries of teachers, supervisors, or directors of agricultural subjects, or for the salaries of teachers of trade, home economics, and industrial subjects, or for the training of teachers as herein provided, any State shall, through the legislative authority thereof, appoint as custodian for said appropriations its State treasurer, who shall receive and provide for the proper custody and disbursements of all money paid to the State from said appropriations.

(20 U.S.C. 23) Enacted Feb. 23, 1917, C. 114, P.L. 347, 64th Cong., sec. 13, 39 Stat. 935.

Sec. 14. That the Federal Board for Vocational Education shall annually ascertain whether the several States are using, or are prepared to use, the money received by them in accordance with the provisions of this Act. On or before the first day of January of each year the Federal Board for Vocational Education shall certify to the Secretary of the Treasury each State which has accepted the provisions of this Act and complied therewith, certifying the amounts which each State is entitled to receive under the provisions of this Act. Upon such certification the Secretary of the Treasury shall pay quarterly to the custodian for vocational education of each State the moneys to which it is entitled under the provisions of this Act. The moneys so received by the custodian for vocational education for any State shall be paid out on the requisition of the State board as reimbursement for expenditures already incurred to such schools as are approved by said State board and are entitled to receive such moneys under the provisions of this Act.

(20 U.S.C. 24) Enacted Feb. 23, 1917, C. 114, P.L. 347, 64th Cong., sec. 14, 39 Stat. 935.

Sec. 15. That whenever any portion of the fund annually allotted to any State has not been expended for the purpose provided for in this Act, a sum equal to such portions shall be deducted by the Federal board from the next succeeding annual allotment from such fund to such State.

(20 U.S.C. 25) Enacted Feb. 23, 1917, C. 114, P.L. 347, 64th Cong., sec. 15, 39 Stat. 936.

Sec. 16. That the Federal Board for Vocational Education may withhold the allotment of moneys to any State whenever it shall be determined that such moneys are not being expended for the purposes and under the conditions of this Act.

If any allotment is withheld from any State, the State board of such State may appeal to the Congress of the United States, and if the Congress shall not direct such sum to be paid it shall be covered into the Treasury.

(20 U.S.C. 26) Enacted Feb. 23, 1917, C. 114, P.L. 347, 64th Cong., sec. 16, 39 Stat. 936.

SEC. 17. That if any portion of the moneys received by the custodian for vocational education of any State under this Act, for any given purpose named in this Act, shall, by any action or contingency, be diminished or lost, it shall be replaced by such State, and until so replaced no subsequent appropriation for such education shall be paid to such State. No portion of any moneys appropriated under this Act for the benefit of the States shall be applied, directly or indirectly, to the purchase, erection, preservation, or repair of any building or buildings or equipment, or for the purchase or rental of lands, or for the support of any religious or privately owned or conducted school or college.

(20 U.S.C. 27) Enacted Feb. 23, 1917, C. 114, P.L. 347, 64th Cong., Sec. 17, 39 Stat. 936.

SEC. 18. That the Federal Board for Vocational Education shall make an annual report to Congress, on or before December first, on the administration of this Act and shall include in such report the reports made by the State boards on the administration of this Act by each State and the expenditures of the money allotted to each State.

(20 U.S.C. 28) Enacted Feb. 23, 1917, C. 114, P.L. 347, 64th Cong., sec. 18, 39 Stat. 936.

LEGISLATIVE HISTORY

(P.L. 347, 64th Cong.)

Senate Report No. 97 and Senate Document 711.
House Report No. 1495 (committee of conference).
Congressional Record, 1916, 1917:
  July 31, 1916: Passed Senate.
  January 9, 1917: Passed House.
  February 17, 1917: Senate agreed to conference report.
  February 19, 1917: House agreed to conference report.
Approved: February 23, 1917.

PART VII—PUBLIC LIBRARY PROGRAMS

The Library Services and Construction Act

(P.L. 597, 84th Congress)

AN ACT To promote the further development of public library services

Be it enacted by the Senate and House of Representatives of the United States of America in Congress asembled, That this Act may be cited as the "Library Services and Construction Act."

DECLARATION OF POLICY

SEC. 2. (a) It is the purpose of this Act to assist the States in the extension and improvement of public library services in areas of the States which are without such services or in which such services are inadequate, and with public library construction, and in the improvement of such other State library services as library services for physically handicapped, institutionalized, and disadvantaged persons, in strengthening State library administrative agencies, and in promoting interlibrary cooperation among all types of libraries.

(b) Nothing in this Act shall be construed to interfere with State and local initiative and responsibility in the conduct of library services. The administration of libraries, the selection of personnel and library books and materials, and, insofar as consistent with the purposes of this Act, the determination of the best uses of the funds provided under this Act shall be reserved to the States and their local subdivisions.

(20 U.S.C. 351) Enacted Dec. 30, 1970, P.L. 91–600, sec. 2(b), 84 Stat. 1660.

DEFINITIONS

SEC. 3. The following definitions shall apply to this Act:

(1) "Commissioner" means the Commissioner of Education.

(2) "Construction" includes construction of new buildings and acquisition, expansion, remodeling, and alteration of existing buildings, and initial equipment of any such buildings, or any combination of such activities (including architects' fees and the cost of acquisition of land). For the purposes of this paragraph, the term "equipment" includes machinery, utilities, and built-in equipment and any necessary enclosures or structures to house them; and such term includes all other items necessary for the functioning of a particular facility as a facility for the provision of library services.

(3) "Library service" means the performance of all activities of a library relating to the collection and organization of library materials

and to making the materials and information of a library available to a clientele.

(4) "Library services for the physically handicapped" means the providing of library services, through public or other nonprofit libraries, agencies, or organizations, to physically handicapped persons (including the blind and other visually handicapped) certified by competent authority as unable to read or to use conventional printed materials as a result of physical limitations.

(5) "Public library" means a library that serves free of charge all residents of a community, district, or region, and receives its financial support in whole or in part from public funds.

(6) "Public library services" means library services furnished by a public library free of charge.

(7) "State" means a State, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands.

(8) "State Advisory Council on Libraries" means an advisory council for the purposes of clause (3) of section 6(a) of this Act which shall—

(A) be broadly representative of the public, school, academic, special, and institutional libraries, and libraries serving the handicapped, in the State and of persons using such libraries, including disadvantaged persons within the State;

(B) advise the State library administrative agency on the development of, and policy matters arising in the administration of, the State plan; and

(C) assist the State library administrative agency in the evaluation of activities assisted under this Act;

(9) "State institutional library services" means the providing of books and other library materials, and of library services, to (A) inmates, patients, or residents of penal institutions, reformatories, residential training schools, orphanages, or general or special institutions or hospitals operated or substantially supported by the State, or (B) students in residential schools for the physically handicapped (including mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, crippled, or other health impaired persons who by reason thereof require special education) operated or substantially supported by the State.

(10) "State library administrative agency" means the official agency of a State charged by law of that State with the extension and development of public library services throughout the State, which has adequate authority under law of the State to administer State plans in accordance with the provisions of this Act.

(11) "Basic State plan" means the document which gives assurances that the officially designated State library administrative agency has the fiscal and legal authority and capability to administer all aspects of this Act; provides assurances for establishing the State's policies, priorities, criteria, and procedures necessary to the implementation of all programs under provisions of this Act; and submits copies for approval as required by regulations promulgated by the Commissioner.

(12) "Long-range program" means the comprehensive five-year program which identifies a State's library needs and sets forth the

activities to be taken toward meeting the identified needs supported with the assistance of Federal funds made available under this Act. Such long-range programs shall be developed by the State library administrative agency and shall specify the State's policies, criteria, priorities, and procedures consistent with the Act as required by the regulations promulgated by the Commissioner and shall be updated as library progress requires.

(13) "Annual program" means the projects which are developed and submitted to describe the specific activities to be carried out annually toward achieving fulfillment of the long-range program. These annual programs shall be submitted in such detail as required by regulations promulgated by the Commissioner.

(20 U.S.C. 351a) Enacted Dec. 30, 1970, P.L. 91-600, sec. 2(b), 84 Stat. 1660.

AUTHORIZATIONS OF APPROPRIATIONS

SEC. 4. (a) For the purpose of carrying out the provisions of this Act the following sums are authorized to be appropriated:

(1) For the purpose of making grants to States for library services as provided in title I, there are authorized to be appropriated $112,000,000 for the fiscal year ending June 30, 1972, $117,600,000 for the fiscal year ending June 30, 1973, $123,500,000 for the fiscal year ending June 30, 1974, $129,675,000 for the fiscal year ending June 30, 1975, and $137,150,000 for the fiscal year ending June 30, 1976.

(2) For the purpose of making grants to States for public library construction, as provided in title II, there are authorized to be appropriated $80,000,000 for the fiscal year ending June 30, 1972, $84,000,000 for the fiscal year ending June 30, 1973, $88,000,000 for the fiscal year ending June 30, 1974, $92,500,000 for the fiscal year ending June 30, 1975, and $97,000,000 for the fiscal year ending June 30, 1976.

(3) For the purpose of making grants to States to enable them to carry out interlibrary cooperation programs authorized by title III, there are hereby authorized to be appropriated $15,000,000 for the fiscal year ending June 30, 1972, $15,750,000 for the fiscal year ending June 30, 1973, $16,500,000 for the fiscal year ending June 30, 1974, $17,300,000 for the fiscal year ending June 30, 1975, and $18,200,000 for the fiscal year ending June 30, 1976.

(b) Notwithstanding any other provision of law, unless enacted in express limitation of the provisions of this subsection, any sums appropriated pursuant to subsection (a) shall (1), in the case of sums appropriated pursuant to paragraphs (1) and (3) thereof, be available for obligation and expenditure for the period of time specified in the Act making such appropriation, and (2), in the case of sums appropriated pursuant to paragraph (2) thereof, subject to regulations of the Commissioner promulgated in carrying out the provisions of section 5(b), be available for obligation and expenditure for the year specified in the Appropriation Act and for the next succeeding year.

(20 U.S.C. 315b) Enacted Dec. 30, 1970, P.L. 91-600, sec. 2(b), 84 Stat. 1662.

ALLOTMENTS TO STATES

SEC. 5. (a) (1) From the sums appropriated pursuant to paragraph (1), (2), or (3) of section 4(a) for any fiscal year, the Commissioner shall allot the minimum allotment, as determined under paragraph (3) of this subsection, to each State. Any sums remaining after minimum allotments have been made shall be allotted in the manner set forth in paragraph (2) of this subsection.

(2) From the remainder of any sums appropriated pursuant to paragraph (1), (2), or (3) of section 4(a) for any fiscal year, the Commissioner shall allot to each State such part of such remainder as the population of the State bears to the population of all the States.

(3) For the purposes of this subsection, the 'minimum allotment' shall be—

(A) with respect to appropriations for the purposes of title I, $200,000 for each State, except that it shall be $40,000 in the case of Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands;

(B) with respect to appropriations for the purposes of title II, $100,000 for each State, except that it shall be $20,000 in the case of Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands; and

(C) with respect to appropriations for the purposes of title III, $40,000 for each State, except that it shall be $10,000 in the case of Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands.

If the sums appropriated pursuant to paragraph (1), (2), or (3) of section 4(a) for any fiscal year are insufficient to fully satisfy the aggregate of the minimum allotments for that purpose, each of such minimum allotments shall be reduced ratably.

(4) The population of each State and of all the States shall be determined by the Commissioner on the basis of the most recent satisfactory data available to him.

(5) There is hereby authorized for the purpose of evaluation (directly or by grants or contracts) of programs authorized by this Act, such sums as Congress may deem necessary for any fiscal year.

(b) The amount of any State's allotment under subsection (a) for any fiscal year from any appropriation made pursuant to paragraph (1), (2), or (3) of section 4(a) which the Commissioner deems will not be required for the period and the purpose for which such allotment is available for carrying out the State's annual program shall be available for reallotment from time to time on such dates during such year as the Commissioner shall fix. Such amount shall be available for reallotment to other States in proportion to the original allotments for such year to such States under subsection (a) but with such proportionate amount for any of such other State being reduced to the extent that it exceeds the amount which the Commissioner estimates the State needs and will be able to use for such period of time for which the original allotments were made and the total of such reductions shall be similarly reallotted among the States not suffering such a reduction. Any amount reallotted to a State under this subsection for any fiscal year shall be deemed to be a part of its allotment for such year pursuant to subsection (a).

(20 U.S.C. 351c) Enacted Dec. 30, 1970, P.L. 91–600, sec. 2(b), 84 Stat. 1662.

STATE PLANS AND PROGRAMS

SEC. 6. (a) Any State desiring to receive its allotment for any purpose under this Act for any fiscal year shall (1) have in effect for such fiscal year a basic State plan as defined in section 3(11) and meeting the requirements set forth in subsection (b), (2) submit an annual program as defined in section 3(13) for the purposes for which allotments are desired, meeting the appropriate requirements set forth in titles I, II, and III, and shall submit (no later than July 1, 1972) a long-range program as defined in section 3(12) for carrying out the purposes of this Act as specified in subsection (d), and (3) establish a State Advisory Council on Libraries which meets the requirements of section 3(8).

(b) A basic State plan under this Act shall—

(1) provide for the administration, or supervision of the administration, of the programs authorized by this Act by the State library administrative agency;

(2) provide that any funds paid to the State in accordance with with a long-range program and an annual program shall be expended solely for the purposes for which funds have been authorized and appropriated and that such fiscal control and fund accounting procedures have been adopted as may be necessary to assure proper disbursement of, and account for, Federal funds paid to the State (including any such funds paid by the State to any other agency) under this Act;

(3) provide satisfactory assurance that the State agency administering the plan (A) will make such reports, in such form and containing such information, as the Commissioner may reasonably require to carry out his functions under this Act and to determine the extent to which funds provided under this Act have been effective in carrying out its purposes, including reports of evaluations made under the State plans, and (B) will keep such records and afford such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports; and

(4) set forth the criteria to be used in determining the adequacy of public library services in geographical areas and for groups of persons in the State, including criteria designed to assure that priority will be given to programs or projects which serve urban and rural areas with high concentrations of low-income families.

(c)(1) The Commissioner shall not approve any basic State plan pursuant to this Act for any fiscal year unless—

(A) the plan fulfills the conditions specified in section 3(11) and subsection (b) of this section and the appropriate titles of this Act;

(B) he has made specific findings as to the compliance of such plan with requirements of this Act and he is satisfied that adequate procedures are subscribed to therein insure that any assurances and provisions of such plan will be carried out.

(2) The State plan shall be made public as finally approved.

(3) The Commissioner shall not finally disapprove any basic State plan submitted pursuant to subsection (a)(1), or any modification thereof, without first affording the State reasonable notice and opportunity for hearing.

(d) The long-range program of any State for carrying out the purposes of this Act shall be developed in consultation with the Commissioner and shall—

(1) set forth a program under which the funds received by the State under the programs authorized by this Act will be used to carry out a long-range program of library services and construction covering a period of not less than three nor more than five years;

(2) be annually reviewed and revised in accordance with changing needs for assistance under this Act and the results of the evaluation and surveys of the State library administrative agency;

(3) set forth policies and procedures (A) for the periodic evaluation of the effectiveness of programs and projects supported under this Act, and (B) for appropriate dissemination of the results of such evaluations and other information pertaining to such programs or projects; and

(4) set forth effective policies and procedures for the coordination of programs and projects supported under this Act with library programs and projects operated by institutions of higher education or local elementary or secondary schools and with other public or private library services programs.

Such program shall be developed with advice of the State advisory council and in consultation with the Commissioner and shall be made public as it is finally adopted.

(e) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the State agency administering a program submitted under this Act, finds—

(1) that the program has been so changed that it no longer complies with the provisions of this Act, or

(2) that in the administration of the program there is a failure to comply substantially with any such provisions or with any assurance or other provision contained in the basic State plan,

then, until he is satisfied that there is no longer any such failure to comply, after appropriate notice to such State agency, he shall make no further payments to the State under this Act or shall limit payments to programs or projects under, or parts of, the programs not affected by the failure, or shall require that payments by such State agency under this Act shall be limited to local or other public library agencies not affected by the failure.

(f)(1) If any State is dissatisfied with the Commissioner's final action with respect to the approval of a plan submitted under this Act or with his final action under subsection (e) such State may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action as provided in section 2112 of title 28, United States Code.

(2) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon take new or modified findings of fact and may modify his previous action, and shall certify to the court the record of further proceedings.

(3) The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(20 U.S.C. 351d) Enacted Dec. 30, 1970, P.L. 91-600, sec. 2(b), 84 Stat. 1663.

PAYMENTS TO STATES

SEC. 7. (a) From the allotments available therefor under section 5 from appropriations pursuant to paragraph (1), (2), or (3) of sections 4(a), the Commissioner shall pay to each State which has a basic State plan approved under section 6(a)(1), an annual program and a long-range program as defined in sections 3 (12) and (13) an amount equal to the Federal share of the total sums expended by the State and its political subdivisions in carrying out such plan, except that no payments shall be made from appropriations pursuant to such paragraph (1) for the purposes of title I to any State (other than the Trust Territory of the Pacific Islands) for any fiscal year unless the Commissioner determines that—

(1) there will be available for expenditure under the programs from State and local sources during the fiscal year for which the allotment is made—

(A) sums sufficient to enable the State to receive for the purpose of carrying out the programs payments in an amount not less than the minimum allotment for that State for the purpose, and

(B) not less than the total amount actually expended, in the areas covered by the programs for such year, for the purposes of such programs from such sources in the second preceding fiscal year; and

(2) there will be available for expenditure for the purposes of the programs from State sources during the fiscal year for which the allotment is made not less than the total amount actually expended for such purposes from such sources in the second preceding fiscal year.

(b)(1) For the purpose of this section, the 'Federal share' for any State shall be, except as is provided otherwise in title III, 100 per centum less the State percentage, and the State percentage shall be that percentage which bears the same ratio to 50 per centum as the per capita income of such State bears to the per capita income of all the States (excluding Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands), except that (A) the Federal share shall in no case be more than 66 per centum, or less than 33 per centum, and (B) the Federal share for Puerto Rico, Guam, American Samoa, and the Virgin Islands shall be 66 per centum, and (C) the Federal share for the Trust Territory of the Pacific Islands shall be 100 per centum.

(2) The 'Federal share' for each State shall be promulgated by the Commissioner within sixty days after the beginning of the fiscal year ending June 30, 1971, and of every second fiscal year thereafter, on the basis of the average per capita incomes of each of the States and of all the States (excluding Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands), for the three most recent consecutive years for which satisfactory data are available to him from the Department of Commerce. Such promulgation shall be conclusive for each of the two fiscal years beginning after the promulgation.

(20 U.S.C. 351e) Enacted Dec. 30, 1970, P.L. 91-600, sec. 2(b), 84 Stat. 1665.

TITLE I—LIBRARY SERVICES

GRANTS FOR STATES FOR LIBRARY SERVICES

SEC. 101. The Commissioner shall carry out a program of making grants from sums appropriated pursuant to section 4(a)(1) to States which have had approved basic State plans under section 6 and have submitted annual programs under section 103 for the extension of public library services to areas without such services and the improvement of such services in areas which such services are inadequate, for making library services more accessible to persons who, by reason of distance, residence, or physical handicap, or other disadvantage, are unable to receive the benefits of public library services regularly made available to the public, for adapting public library services to meet particular needs of persons within the States, and for improving and strengthening library administrative agencies.

(20 U.S.C. 352) Enacted Dec. 30, 1970, P.L. 91-600, sec. 2(b), 84 Stat. 1666.

USES OF FEDERAL FUNDS

SEC. 102. (a) Funds appropriated pursuant to paragraph (1) of section 4(a) shall be available for grants to States from allotments under section 5(a) for the purpose of paying the Federal share of the cost of carrying out State plans submitted and approved under section 6 and section 103. Except as is provided in subsection (b), grants to States under this title may be used solely—

(1) for planning for, and taking other steps leading to the development of, programs and projects designed to extend and improve library services, as provided in clause (2); and

(2) for (A) extending public library services to geographical areas and groups of persons without such services and improving such services in such areas and for such groups as may have inadequate public library services; and (B) establishing, expanding, and operating programs and projects to provide (i) State institutional library services, (ii) library services to the physically handicapped, and (iii) library services for the disadvantaged in

urban and rural areas; and (C) strengthening metropolitan public libraries which serve as national or regional resource centers.

(b) Subject to such limitations and criteria as the Commissioner shall establish by regulation, grants to States under this title may be used (1) to pay the cost of administering the State plans submitted and approved under this Act (including obtaining the services of consultants), statewide planning for and evaluation of library services, dissemination of information concerning library services, and the activities of such advisory groups and panels as may be necessary to assist the State library administrative agency in carrying out its functions under this title, and (2) for strengthening the capacity of State library administrative agencies for meeting the needs of the people of the States.

(2 U.S.C. 353) Enacted Dec. 3, 1970, P.L. 91–600, sec. 2(b), 84 Stat. 1667.

STATE ANNUAL PROGRAM FOR LIBRARY SERVICES

SEC. 103. Any State desiring to receive a grant from its allotment for the purposes of this title for any fiscal year shall, in addition to having submitted, and having had approved, a basic State plan under section 6, submit for that fiscal year an annual program for library services. Such program shall be submitted at such time, in such form, and contain such information as the Commissioner may require by regulation, and shall—

(1) set forth a program for the year submitted under which funds paid to the State from appropriations pursuant to paragraph (1) of section 4(a) for that year will be used, consistent with its long-range program, solely for the purposes set forth in section 102;

(2) set forth the criteria used in allocating such funds among such purposes, which criteria shall insure that the State will expend from Federal, State, and local sources an amount not less than the amount expended by the State from such sources for State institutional library services, and library services to the physically handicapped during the fiscal year ending June 30, 1971;

(3) include such information, policies, and procedures as will assure that the activities to be carried out during that year are consistent with the long-range program; and

(4) include an extension of the long-range program, taking into consideration the results of evaluations.

(20 U.S.C. 354) Enacted Dec. 30, 1970, P.L. 91–600, sec. 2(b), 84 Stat. 1667.

TITLE II—PUBLIC LIBRARY CONSTRUCTION

GRANTS TO STATES FOR PUBLIC LIBRARY CONSTRUCTION

SEC. 201. The Commissioner shall carry out a program of making grants to States which have had approved a basic State plan under section 6 and have submitted a long-range program and submit annually appropriately updated programs under section 203 for the construction of public libraries.

(20 U.S.C. 355a) Enacted Dec. 30, 1970, P.L. 91–600, sec. 2(b), 84 Stat. 1668.

USES OF FEDERAL FUNDS

SEC. 202. Funds appropriated pursuant to paragraph (2) of section 4(a) shall be available for grants to States from allotments under section 5(a) for the purpose of paying the Federal share of the cost of construction projects carried under State plans. Such grants shall be used solely for the construction of public libraries under approved State plans.

(20 U.S.C. 355b) Enacted Dec. 30, 1970, P.L. 91–600, sec. 2(b), 84 Stat. 1668.

STATE ANNUAL PROGRAM FOR THE CONSTRUCTION OF PUBLIC LIBRARIES

SEC. 203. Any State desiring to receive a grant from its allotment for the purpose of this title for any fiscal year shall, in addition to having submitted, and having had approved, a basic State plan under section 6, submit such projects as the State may approve and are consistent with its long-range program.

Such projects shall be submitted at such time and contain such information as the Commissioner may require by regulation and shall—

(1) for the year submitted under which funds are paid to the State from appropriations pursuant to paragraph (2) of section 4(a) for that year, be used, consistent with the State's long-range program, for the construction of public libraries in areas of the State which are without the library facilities necessary to provide adequate library services;

(2) follow the criteria, policies, and procedures for the approval of applications for the construction of public library facilities under the long-range program;

(3) follow policies and procedures which will insure that every local or other public agency whose application for funds under the plan with respect to a project for construction of public library facilities is denied will be given an opportunity for a hearing before the State library administrative agency;

(4) include an extension of the long-range program taking into consideration the results of evaluations.

(20 U.S.C. 355c) Enacted Dec. 30, 1970, P.L. 91–600, sec. 2(b), 84 Stat. 1668.

TITLE III—INTERLIBRARY COOPERATION

GRANTS TO STATES FOR INTERLIBRARY COOPERATION PROGRAMS

SEC. 301. The Commissioner shall carry out a program of making grants to States which have an approved basic State plan under section 6 and have submitted a long-range program and an annual program under section 303 for interlibrary cooperation programs.

(20 U.S.C. 355e) Enacted Dec. 30, 1970, P.L. 91–600, sec. 2(b), 84 Stat. 1668.

USES OF FEDERAL FUNDS

SEC. 302. (a) Funds appropriated pursuant to paragraph (3) of section 4(a) shall be available for grants to States from allotments under paragraphs (1) and (3) of section 5(a) for the purpose of carrying out the Federal share of the cost of carrying out State plans submitted and approved under section 303. Such grants shall be used (1) for planning for, and taking other steps leading to the development of, cooperative library networks; and (2) for establishing, expanding, and operating local, regional, and interstate cooperative networks of libraries, which provide for the systematic and effective coordination of the resources of school, public, academic, and special libraries and information centers for improved supplementary services for the special clientele served by each type of library or center.

(b) For the purposes of this title, the Federal share shall be 100 per centum of the cost of carrying out the State plan.

(20 U.S.C. 355e–1) Enacted Dec. 30, 1970, P.L. 91–600, sec. 2(b), 84 Stat. 1669.

STATE ANNUAL PROGRAM FOR INTERLIBRARY COOPERATION

Sec. 303. Any State desiring to receive a grant from its allotment for the purposes of this title for any fiscal year shall, in addition to having submitted, and having had approved, a basic State plan under section 6, submit for that fiscal year an annual program for interlibrary cooperation. Such program shall be submitted at such time, in such form, and contain such information as the Commissioner may require by regulation and shall—

(1) set forth a program for the year submitted under which funds paid to the State from appropriations pursuant to paragraph (3) of section 4(a) will be used, consistent with its long-range program for the purposes set forth in section 302,

(2) include an extension of the long-range program taking into consideration the results of evaluations.

(c)(1) The amendment made by subsection (b) shall be effective after June 30, 1971.

(2) In the case of funds appropriated to carry out programs under the library services and Construction Act for the fiscal year ending June 30, 1971, each State is authorized, in accordance with regulations of the Commissioner of Education, to use a portion of its allotment for the development of such plans as may be required by such Act, as amended by subsection (b).

(20 U.S.C. 355e–2) Enacted Dec. 30, 1970, P.L. 91–600, sec. 2(b), 84 Stat. 1669.

Legislative History

(P.L. 597, 84th Cong.)

House Report No. 1587 (Committee on Education and Labor).
Senate Report No. 2067 (Committee on Labor and Public Welfare).
Congressional Record, 1956:
  May 8: Passed House.
  June 6: Passed Senate.
Approved: June 19, 1956.

(P.L. 88–269)

House Report No. 635, accompanying H.R. 4879 (Committee on Education and Labor).
Senate Report No. 592 (Committee on Labor and Public Welfare).
Congressional Record (vols. 109, 110) (1963, 1964):

November 22, 1963: Considered in Senate.
November 26, 1963: Considered and passed Senate.
January 21, 1964: Considered and passed House, amended, in lieu of H.R. 4879.
January 30, 1964: Senate concurred in House amendments.
Approved: February 11, 1964.

(P.L. 89-511)

House Report No. 1474 (Committee on Education and Labor).
Senate Report No. 1291 (Committee on Labor and Public Welfare).
Congressional Record, Vol. 112 (1966):
June 2: Considered and passed House.
June 22: Considered and passed Senate, amended.
June 28: House concurred in Senate amendments.
Approved: July 19, 1966.

(P.L. 90-154)

House Report No. 744 (Committee on Education and Labor).
Senate Report No. 716 (Committee on Labor and Public Welfare).
Congressional Record, Volume 113 (1967):
October 16: Considered and passed House.
November 6: Considered and passed Senate.
Approved: November 24, 1967.

(P.L. 91-600)

House Report No. 91-1659 accompanying H.R. 19363 (Committee on Education and Labor).
Senate Report No. 91-1162 (Committee on Labor and Public Welfare).
Congressional Record, Volume 116 (1970):
September 18, 21, considered and passed Senate.
December 7, considered and passed House, amended.
December 15, Senate concurred in House amendment.
Approved: December 30, 1970.

National Commission on Libraries and Information Science Act
(P.L. 91-345)

AN ACT To establish a National Commission on Libraries and Information Science, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Commission on Libraries and Information Science Act".

STATEMENT OF POLICY

SEC. 2. The Congress hereby affirms that library and information services adequate to meet the needs of the people of the United States are essential to achieve national goals and to utilize most effectively the Nation's educational resources and that the Federal Government will cooperate with State and local governments and public and private agencies in assuring optimum provision of such services.

(20 U.S.C. 1501) Enacted July 20, 1970, P.L. 91-345, sec. 2, 84 Stat. 440.

COMMISSION ESTABLISHED

SEC. 3. (a) There is hereby established as an independent agency within the executive branch, a National Commission on Libraries and Information Science (hereinafter referred to as the "Commission").

(b) The Department of Health, Education, and Welfare shall provide the Commission with necessary administrative services (including those related to budgeting, accounting, financial reporting, personnel, and procurement) for which payment shall be made in advance, or by reimbursement, from funds of the Commission and such amounts as may be agreed upon by the Commission and the Secretary of Health, Education, and Welfare.

(20 U.S.C. 1502) Enacted July 20, 1970, P.L. 91–345, sec. 3, 84 Stat. 440.

CONTRIBUTIONS

SEC. 4. The Commission shall have authority to accept in the name of the United States grants, gifts, or bequests of money for immediate disbursement in furtherance of the functions of the Commission. Such grants, gifts, or bequests, after acceptance by the Commission, shall be paid by the donor or his representative to the Treasurer of the United States whose receipts shall be their acquittance. The Treasurer of the United States shall enter them in a special account to the credit of the Commission for the purposes in each case specified.

(20 U.S.C. 1503) Enacted July 20, 1970, P.L. 91–345, sec. 4, 84 Stat. 441.

FUNCTIONS

SEC. 5. (a) The Commission shall have the primary responsibility for developing or recommending overall plans for, and advising the appropriate governments and agencies on, the policy set forth in section 2. In carrying out that responsibility, the Commission shall—

(1) advise the President and the Congress on the implementation of national policy by such statements, presentations, and reports as it deems appropriate;

(2) conduct studies, surveys, and analyses of the library and informational needs of the Nation, including the special library and informational needs of rural areas and of economically, socially, or culturally deprived persons, and the means by which these needs may be met through information centers, through the libraries of elementary and secondary schools and institutions of higher education, and through public, research, special, and other types of libraries:

(3) appraise the adequacies and deficiencies of current library and information resources and services and evaluate the effectiveness of current library and information science programs;

(4) develop overall plans for meeting national library and informational needs and for the coordination of activities at the Federal, State, and local levels, taking into consideration all of the library and informational resources of the Nation to meet those needs;

(5) be authorized to advise Federal, State, local, and private agencies regarding library and information sciences;

(6) promote research and development activities which will extend and improve the Nation's library and information-handling capability as essential links in the national communications networks;

(7) submit to the President and the Congress (not later than January 31 of each year) a report on its activities during the preceding fiscal year; and

(8) make and publish such additional reports as it deems to be necessary, including, but not limited to, reports of consultants, transcripts of testimony, summary reports, and reports of other Commission findings, studies, and recommendations.

(b) The Commission is authorized to contract with Federal agencies and other public and private agencies to carry out any of its functions under subsection (a) and to publish and disseminate such reports, findings, studies, and records as it deems appropriate.

(c) The Commission is further authorized to conduct such hearings at such times and places as it deems appropriate for carrying out the purposes of this Act.

(d) The heads of all Federal agencies are, to the extent not prohibited by law, directed to cooperate with the Commission in carrying out the purposes of this Act.

(20 U.S.C. 1504) Enacted July 20, 1970, P.L. 91-345, sec. 5, 84 Stat. 441.

MEMBERSHIP

SEC. 6. (a) The Commission shall be composed of the Librarian of Congress and fourteen members appointed by the President, by and with the advice and consent of the Senate. Five members of the Commission shall be professional librarians or information specialists, and the remainder shall be persons having special competence or interest in the needs of our society for library and information services, at least one of whom shall be knowledgeable with respect to the technological aspects of library and information services and sciences. One of the members of the Commission shall be designated by the President as Chairman of the Commission. The terms of office of the appointive members of the Commission shall be five years, except that (1) the terms of office of the members first appointed shall commence on the date of enactment of this Act and shall expire two at the end of one year, three at the end of two years, three at the end of three years, three at the end of four years, and three at the end of five years, as designated by the President at the time of appointment, and (2) a member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term.

(b) Members of the Commission who are not in the regular full-time employ of the United States shall, while attending meetings or conferences of the Commission or otherwise engaged in the business of the Commission, be entitled to receive compensation at a rate fixed by the Chairman, but not exceeding the rate specified at the time of such service for grade GS-18 in section 5332 of title 5, United States Code, including traveltime, and while so serving on the business of the Commission away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service.

(c) (1) The Commission is authorized to appoint, without regard to the provisions of title 5, United States Code, covering appointments in the competitive service, such professional and technical personnel as may be necessary to enable it to carry out its function under this Act.

(2) The Commission may procure, without regard to the civil service or classification laws, temporary and intermittent services of such personnel as is necessary to the extent authorized by section 3109 of title 5, United States Code, but at rates not to exceed the rate specified at the time of such service for grade GS–18 in section 5332 of title 5, United States Code, including traveltime, and while so serving on the business of the Commission away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5703 of title 5, United States Code, for persons employed intermittently in the Government service.

(20 U.S.C. 1505) Enacted July 20, 1970, P.L. 91–345, sec. 6, 84 Stat. 442.

AUTHORIZATION OF APPROPRIATIONS

SEC. 7. There are hereby authorized to be appropriated $500,000 for the fiscal year ending June 30, 1970, and $750,000 for the fiscal year ending June 30, 1971, and for each succeeding year, for the purpose of carrying out the provisions of this Act.

(20 U.S.C. 1506) Enacted July 20, 1970, sec. 7, 84 Stat. 442.

LEGISLATIVE HISTORY

(P.L. 91–345)

House Reports: No. 91–240 accompanying H.R. 10666 (Committee on Education and Labor) and No. 91–1226 (committee of conference).

Senate Report No. 91–196 (Committee on Labor and Public Welfare).

Congressional Record:

- Volume 115 (1969): May 23, considered and passed Senate.
- Volume 116 (1970): April 20, considered and passed House, amended, in lieu of H.R. 10666.
- June 29, House agreed to conference report.
- July 6, Senate agreed to conference report.

Approved: July 20, 1970.

PART VIII—INTERNATIONAL EDUCATION PROGRAMS

International Education Act of 1966

(P.L. 89–698)

AN ACT To provide for the strengthening of American educational resources for international studies and research

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "International Education Act of 1966".

FINDINGS AND DECLARATION

SEC. 2. The Congress hereby finds and declares that a knowledge of other countries is of the utmost importance in promoting mutual understanding and cooperation between nations; that strong American educational resources are a necessary base for strengthening our relations with other countries; that this and future generations of Americans should be assured ample opportunity to develop to the fullest extent possible their intellectual capacities in all areas of knowledge pertaining to other countries, peoples, and cultures; and that it is therefore both necessary and appropriate for the Federal Government to assist in the development of resources for international study and research, to assist in the development of resources and trained personnel in academic and professional fields, and to coordinate the existing and future programs of the Federal Government in international education, to meet the requirements of world leadership.

(20 U.S.C. 1171) Enacted Oct. 29, 1966, P.L. 89–698, Title 1, sec. 2, 80 Stat. 1066.

TITLE I—GRANT PROGRAMS FOR ADVANCED AND UNDERGRADUATE INTERNATIONAL STUDIES

CENTERS FOR ADVANCED INTERNATIONAL STUDIES

SEC. 101. (a) The Secretary of Health, Education, and Welfare (hereinafter referred to as the "Secretary") is authorized to arrange through grants to institutions of higher education, or combinations of such institutions, for the establishment, strengthening, and operation by them of graduate centers which will be national and international resources for research and training in international studies and the international aspects of professional and other fields of study. Activities carried on in such centers may be concentrated either on specific geographical areas of the world or on particular fields or issues in world affairs which concern one or more countries, or on both. The Secretary may also make grants to public and private nonprofit agencies and organizations, including professional and scholarly associations, when such grants will make an especially significant contribution to attaining the objectives of this section.

(b) Grants under this section may be used to cover part or all of the cost of establishing, strengthening, equipping, and operating research and training centers, including the cost of teaching and research materials and resources, the cost of programs for bringing visiting scholars and faculty to the center, and the cost of training, improvement, and travel of the staff for the purpose of carrying out the objectives of this section. Such grants may also include funds for stipends (in such amounts as may be determined in accordance with regulations of the Secretary) to individuals undergoing training in such centers, including allowances for dependents and for travel for research and study here and abroad. Grants under this section shall be made on such conditions as the Secretary finds necessary to carry out its purposes.

(20 U.S.C. 1172) Enacted Oct. 29, 1966, P.L. 89-698, Title I, sec. 101, 80 Stat. 1066.

GRANTS TO STRENGTHEN UNDERGRADUATE PROGRAMS IN INTERNATIONAL STUDIES

SEC. 102. (a) The Secretary is authorized to make grants to institutions of higher education, or combinations of such institutions, to assist them in planning, developing, and carrying out a comprehensive program to strengthen and improve undergraduate instruction in international studies. Grants made under this section may be for projects and activities which are an integral part of such a comprehensive program such as—

(1) planning for the development and expansion of undergraduate programs in international studies;

(2) teaching, research, curriculum development, and other related activities;

(3) training of faculty member in foreign countries;

(4) expansion of foreign language courses;

(5) planned and supervised student work-study-travel programs;

(6) programs under which foreign teachers and scholars may visit institutions as visiting faculty; and

(7) programs of English language training for foreign teachers, scholars, and students.

The Secretary may also make grants to public and private nonprofit agencies and organizations, including professional and scholarly associations, when such grants will make an especially significant contribution to attaining the objective of this section.

(b) A grant may be made under this section only upon application to the Secretary at such time or times and containing such information as he deems necessary. The Secretary shall not approve an application unless it—

(1) sets forth a program for carrying out one or more projects or activities for which a grant is authorized under subsection (a);

(2) sets forth policies and procedures which assure that Federal funds made available under this section for any fiscal year

will be so used as to supplement and, to the extent practical, increase the level of funds that would, in the absence of such Federal funds, be made available for purposes which meet the requirements of subsection (a), and in no case supplant such funds;

(3) provides for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the applicant under this section; and

(4) provides for making such report, in such form and containing such information, as the Secretary may require to carry out his functions under this section, and for keeping such records and for affording such access thereto as the Secretary may find necessary to assure the correctness and verification of such reports.

(c) The Secretary shall allocate grants to institutions of higher education under this section in such manner and according to such plan as will most nearly provide an equitable distribution of the grants throughout the States while at the same time giving a preference to those institutions which are most in need of funds for programs in international studies and which show real promise of being able to use funds effectively.

(20 U.S.C. 1173) Enacted Oct. 29, 1966, P.L. 89–698, Title I, sec. 102, 80 Stat. 1067.

METHOD OF PAYMENT; FEDERAL ADMINISTRATION

SEC. 103. (a) Payments under this title may be made in installments, and in advance or by way of reimbursement with necessary adjustments on account of overpayments or underpayments.

(20 U.S.C. 1174) Enacted Oct. 29, 1966, P.L. 89–698, Title I, sec. 103, 80 Stat. 1068; subsec. (b) repealed Apr. 13, 1970, P.L. 91–230, sec. 401(c)(7) and superseded by sec. 411, Title IV, of P.L. 90–247, as amended, 20 U.S.C. 1231(b).

AUTHORIZATION AND REPORTS

SEC. 105. (a) There is authorized to be appropriated $1,000,000 for the fiscal year ending June 30, 1967, which shall be available only for the purpose of preparing the report provided for in subsection (b) of this section. There are authorized to be appropriated $40,000,000 for the fiscal year ending June 30, 1968, and $90,000,000 for each of the succeeding fiscal years ending prior to July 1, 1971, for the purpose of carrying out the provisions of this title. For the fiscal years thereafter there shall be appropriated for the purpose of carrying out the provisions of this title only such amounts as the Congress may hereafter authorize by law.

(b) The Secretary shall prepare, with the advice of the Advisory Committee appointed pursuant to section 106, a report containing specific recommendations for carrying out the provisions of this title, including any recommendations for amendments to this title and to portions of other laws amended by this Act, and shall submit such report to the President and the Congress not later than April 30, 1967.

(c) Prior to January 31, 1968, and prior to January 31 in each year thereafter, the Secretary shall make a report to the Congress which reviews and evaluates activities carried on under the authority of this Act and which reviews other activities of the Federal Government drawing upon or strengthening American resources for international study and research and any existing activities and plans to coordinate and improve the efforts of the Federal Government in international education.

(20 U.S.C. 1176) Enacted Oct. 29, 1966, P.L. 89–698, Title I, sec. 105, 80 Stat. 1068; amended Oct. 16, 1968, P.L. 90–575, title V, sec. 502, 82 Stat. 1062.

NATIONAL ADVISORY COMMITTEE ON INTERNATIONAL STUDIES

Sec. 106. (a) The President is authorized to establish in the Department of Health, Education, and Welfare a National Advisory Committee on International Studies, consisting of the Assistant Secretary of Health, Education, and Welfare for Education who shall be chairman, and not more than fifteen additional members appointed by the President so that a majority shall constitute a broad representation of higher education in the United States and the remainder shall include representatives of the general public and individuals experienced in foreign affairs.

(b) The Advisory Committee shall advise the Secretary in the preparation of the report provided for in section 105(b) of this Act, and thereafter shall advise the Secretary in carrying out the provisions of this Act. The recommendations of the Advisory Committee shall be included in the report provided for in section 105(b) of this Act and in the annual reports provided for in section 105(c) of this Act.

(20 U.S.C. 1177) Enacted Oct. 29. 1966, P.L. 89–698. Title I, sec. 106. 80 Stat. 1069; subsections (c) and (d) repealed April 13. 1970. P.L. 91–230, Title IV, sec. 401(h)(5) and superseded by sec. 5, 434 and 435 of P.L. 90–247, as amended, 20 U.S.C. 1233c, 1233d.

TITLE II—AMENDMENTS TO OTHER LAWS

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Note.—Section 201 amends sec. 601 of Title VI of the National Defense Education Act. The complete text of such section as amended is included at this point.

NATIONAL DEFENSE EDUCATION ACT OF 1958

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Title VI—Language Development

LANGUAGE AND AREA CENTERS

Sec. 601. (a) The Secretary is authorized to arrange through grants to or contracts with institutions of higher education for the establishment and operation by them, during the period beginning July 1, 1958, and ending with the close of June 30, 1971, of centers for the teaching of any modern foreign language with respect to which the Secretary determines that individuals trained in such language are needed by the Federal Government or by business, industry, or education in the United States. Any such grant or contract may provide for instruction not only in such modern foreign language but also in other fields needed to provide a full understanding of the areas, regions, or countries in which such language is commonly used, to the extent adequate instruction in such fields is not readily available, including fields such as history, political science, linguistics, economics, sociology, geography, and anthropology. Any such grant or contract may cover all or part of the cost of the establishment and operation of the center with respect to which it is made, including the cost of grants to the staff for travel in the foreign areas, regions, or countries with which the subject matter of the field or fields in which they are or will be working is concerned and the cost of travel of foreign scholars to such centers to teach or assist in teaching therein and the cost of their return, and shall be made on such conditions as the Secretary finds necessary to carry out the purposes of this section.

(b) The Secretary is also authorized, during the period beginning July 1, 1958, and ending with the close of June 30, 1971, to pay stipends to individuals undergoing advanced training in any modern foreign language (with respect to which he makes the determination under subsection (a)), and other fields needed for a full understanding of the area, region, or country in which such language is commonly used, at any short-term or regular session of any institution of higher education, including allowances for dependents and for travel to and from their places of residence, but only upon reasonable assurance that the recipients of such stipends will, on completion of their training, be available for teaching a modern foreign language in an institution of higher education or for such other service of a public nature as may be permitted in regulations of the Secretary.

(20 U.S.C. 511) Enacted Sept. 2, 1958, P.L. 85–864, Title VI, sec. 601, 72 Stat. 1593; amended Oct. 3, 1961, P.L. 87–344, Title II, sec. 205(a), 75 Stat. 760; amended Dec. 18, 1963. P.L. 88–210, sec. 206(a), formerly sec. 26(a), 77 Stat. 418, redesignated Oct. 16, 1968, P.L. 90–576, Title I, sec. 101(a)(1), 82 Stat. 1064; amended Oct. 16, 1964, P.L. 88–665, Title VI, sec. 601(a), 78 Stat. 1106; amended Oct. 29, 1966, P.L. 89–698, Title II, sec. 201, 80 Stat. 1069; amended October 16, 1968, P.L. 90–575, Title III, sec. 331(a), 82 Stat. 1057.

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AMENDMENTS TO STRENGTHEN TITLE XI OF THE NATIONAL DEFENSE EDUCATION ACT OF 1958

SEC. 202. Title XI of the National Defense Education Act of 1958 is amended—

(1) by inserting after the title the following: "PART I—GENERAL";

(2) by striking out the word "title" in section 1102 and inserting in lieu thereof the word "part"; and

(3) by adding at the end thereof a new part as follows:

"INTERNATIONAL AFFAIRS INSTITUTES FOR SECONDARY SCHOOL TEACHERS

"SEC. 1111. There are authorized to be appropriated $3,500,000 for the fiscal year ending June 30, 1967, and $6,000,000 for the fiscal year ending June 30, 1968, to enable the Commissioner to arrange through contracts with institutions of higher education for the establishment and operation of short-term or regular-session institutes for teachers in secondary schools in order to give them a broader understanding of international affairs. Any such arrangement may cover the cost of the establishment and operation of the institute with respect to which it is made, including the cost of grants to the staff of travel in the foreign areas, regions, or countries with which the subject matter of the field or fields in which they are or will be working is concerned, and the cost of travel of foreign scholars to enable them to teach or assist in teaching in such institute and the cost of their return, and shall be made on such conditions as the Commissioner finds necessary to carry out the purposes of this section.

(20 U.S.C. 601)

"STIPENDS

"Sec. 1112. The Commissioner is authorized to pay stipends to any individual to study in a program assisted under the provisions of this part upon determining that assisting such individual in such studies will promote the purpose of this part. Stipends under the provisions of this section may include allowances for dependents and for travel to and from the place of residence."

(20 U.S.C. 602)

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(Note.—(1) Section 203 amends the Mutual Educational and Cultural Exchange Act of 1961 (P.L. 87-256) which is included on page 406.

(2) Section 204 amends section 435(a) of the Higher Education Act of 1965 (P.L. 89-329); see page 180.)

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TITLE III—STUDY BY THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE

AUTHORIZATION FOR A STUDY ON WAYS TO REDUCE THE DRAIN FROM DEVELOPING COUNTRIES OF PROFESSIONAL PERSONS AND SKILLED SPECIALISTS WHOSE SKILLS ARE URGENTLY NEEDED

Sec. 301. (a) The Secretary of Health, Education, and Welfare shall conduct a study and investigation to determine (1) the total number of individuals who enter the United States from developing countries annually to further their education, and who remain in the United States; (2) the reasons for their failure to return to their home countries; and (3) means of encouraging the return of such individuals to the countries of their last residence or nationality, so they may put their education and training to work in the service of their homelands.

(b) The Secretary of Health, Education, and Welfare shall report to the President and to the Congress as soon as practicable on his findings and conclusions together with such recommendations for any legislation he deems desirable to encourage the return of such individuals to such countries.

(c) It is hereby authorized to be appropriated the sum of $50,000 for the purpose of carrying out this study.

Enacted Oct. 29, 1966, P.L. 89-698, Title III, sec. 301, 80 Stat. 1072.

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Legislative History

(P.L. 89-698)

House Report No. 1539 (Committee on Education and Labor).
Senate Report No. 1715 (Committee on Labor and Public Welfare).
June 6: Considered and passed House.
October 13: Considered and passed Senate, amended.
October [illegible]: House concurred in Senate amendment with an amendment; Senate concurred in House amendment.
Approved: October 29, 1966.

(P.L. 90-575)

House Reports: No. 1649 accompanying H.R. 15067 (Committee on Education and Labor) and No. 2326 (committee of conference).
Senate Report No. 1387 (Committee on Labor and Public Welfare).
Congressional Record, volume 114 (1968):
July 15: Considered and passed Senate.
July 24, 25: Considered and passed House, amended, in lieu of H.R. 15067.
September 26: House agreed to conference report.
October 1: Senate agreed to conference report.
Approved October 16, 1968.

United States Information and Educational Exchange Act of 1948

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OBJECTIVES

SEC. 2. The Congress hereby declares that the objectives of this Act are to enable the Government of the United States to promote a better understanding of the United States in other countries, and to increase mutual understanding between the people of the United States and the people of other countries. Among the means to be used in achieving these objectives are:

(1) an information service to disseminate abroad information about the United States, its people, and policies promulgated by the Congress, the President, the Secretary of State and other responsible officials of Government having to do with matters affecting foreign affairs;

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UNITED NATIONS

SEC. 3. In carrying out the objectives of this Act, information concerning the participation of the United States in the United Nations, its organizations and functions shall be emphasized.

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DEFINITIONS

SEC. 4. When used in this Act, the term—

(1) "Secretary" means the Secretary of State.
(2) "Department" means the Department of State.

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TITLE II—INTERCHANGE OF PERSONS, KNOWLEDGE, AND SKILLS

BOOKS AND MATERIALS

SEC. 202. The Secretary is authorized to provide for interchanges between the United States and other countries of books and periodicals, including government publications, for the translation of such writings, and for the preparation, distribution, and interchange of other educational materials.[1]

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[1] Subject to specified policy and other controls by the Secretary of State, sec. 2(a) of 1953 Reorganization Plan No. 8 transferred to the Director of the United States Information Agency "so much of functions with respect to the interchange of books and periodicals * * * as is an integral part of information programs" under P.L. 80-402, "together with so much of the functions vested in the Secretary of State by other provisions of the said Act as is incidental to or necessary for the performance of the functions" under sec. 202.

INSTITUTIONS

Sec. 203. The Secretary is authorized to provide for assistance to schools, libraries, and community centers abroad, founded or sponsored by citizens of the United States, and serving as demonstration centers for methods and practices employed in the United States. In assisting any such schools, however, the Secretary shall exercise no control over their educational policies and shall in no case furnish assistance of any character which is not in keeping with the free democratic principles and the established foreign policy of the United States.[2]

TITLE III—ASSIGNMENT OF SPECIALISTS

PERSONS TO BE ASSIGNED

Sec. 301. The Secretary is authorized, when the government of another country is desirous of obtaining the services of a person having special scientific or other technical or professional qualifications, from time to time to assign or authorize the assignment for service, to or in cooperation with such government, any citizen of the United States in the employ or service of the Government of the United States who has such qualification, with the approval of the Government agency in which such person is employed or serving. No person shall be assigned for service to or in cooperation with the government of any country unless (1) the Secretary finds that such assignment is necessary in the national interest of the United States, or (2) such government agrees to reimburse the United States in an amount equal to the compensation, travel expenses, and allowances payable to such person during the period of such assignment in accordance with the provisions of section 302, or (3) such government shall have made an advance of funds, property, or services as provided in section 902. Nothing in this Act, however, shall authorize the assignment of such personnel for service relating to the organization, training, operation, development, or combat equipment of the armed forces of a foreign government.

STATUS AND ALLOWANCES

Sec. 302. Any citizen of the United States, while assigned for service to or in cooperation with another government under the authority of this Act, shall be considered, for the purpose of preserving his rights, allowances, and privileges as such, an officer or employee of the Government of the United States and of the Government agency from which assigned and he shall continue to receive compensation from that agency. He may also receive, under such regulations as the

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[2] Subject to specified policy and other controls by the Secretary of State, sec. 2(a) of 1953 Reorganization Plan No. 8 transferred to the Director of the United States Information Agency "so much of functions with respect to * * * aid to libraries and community centers * * * as is an integral part of information programs" under P.L. 80–402, "together with so much of the functions vested in the Secretary of State by other provisions of the said Act as is incidental to or necessary for the performance of the functions" under sec. 203. P.L. 87–256 repealed sec. 203 "insofar as it relates to schools."

President may prescribe, representation allowances similar to those allowed under section 901(3) of the Foreign Service Act of 1946 (60 Stat. 999). The authorization of such allowances and other benefits and the payment thereof out of any appropriations available therefor shall be considered as meeting all the requirements of section 1765 of the Revised Statues.[3]

ACCEPTANCE OF OFFICE UNDER ANOTHER GOVERNMENT

SEC. 303. Any citizen of the United States while assigned for service to or in cooperation with another government under authority of this Act may, at the discretion of his Government agency, with the concurrence of the Secretary, and without additional compensation therefor, accept an office under the government to which he is assigned, if the acceptance of such an office in the opinion of such agency is necessary to permit the effective performance of duties for which he is assigned, including the making or approving on behalf of such foreign government the disbursement of funds provided by such government or of receiving from such foreign government funds for deposit and disbursement on behalf of such government, in carrying out programs undertaken pursuant to this Act: *Provided, however,* That such acceptance of office shall in no case involve the taking of an oath of allegiance to another government.

TITLE IV—PARTICIPATION BY GOVERNMENT AGENCIES

GENERAL AUTHORITY

SEC. 401. The Secretary is authorized, in carrying on any activity under the authority of this Act, to utilize, with the approval of the President, the services, facilities, and personnel of the other Government agencies. Whenever the Secretary shall use the services, facilities, or personnel of any Government agency for activities under authority of this Act, the Secretary shall pay for such performance out of funds available to the Secretary under this Act, either in advance, by reimbursement, or direct transfer. The Secretary shall include in such report submitted to the Congress under section 1008 a statement of the services, facilities, and personnel of other Government agencies utilized in carrying on activities under the authority of this Act, showing the names and salaries of the personnel utilized, or performing services utilized, during the period covered by such report, and the amounts paid to such other agencies under this section as payment for such performance.

TECHNICAL AND OTHER SERVICES

SEC. 402. A Government agency, at the request of the Secretary, may perform such technical or other services as such agency may be competent to render for the government of another country desirous of obtaining such services, upon terms and conditions which are satisfactory to the Secretary and to the head of the Government agency, when it is determined by the Secretary that such services will contribute to the purposes of this Act. However, nothing in this Act shall authorize the performance of services relating to the organization, training, operation, development, or combat equipment of the armed forces of a foreign government.

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[3] Secs. 1(d) and 2 of Executive Order 10011, Oct. 22, 1948, respectively vested in the Secretary of State the President's authority under sec. 302 and directed all officers, officials, and employees of the United States, including disbursing, accounting, and auditing offices, to give the same effect to any act of the Secretary hereunder as if done by the President.

POLICY GOVERNING SERVICES

SEC. 403. In authorizing the performance of technical and other services under this title, it is the sense of the Congress (1) that the Secretary shall encourage through any appropriate Government agency the performance of such services to foreign governments by qualified private American individuals and agencies, and shall not enter into the performance of such services to any foreign government where such service may be performed adequately by qualified private American individuals and agencies and such qualified individuals and agencies are available for the performance of such services; (2) that if such services are rendered by a Government agency, they shall demonstrate the technical accomplishments of the United States, such services being of an advisory, investigative, or instructional nature, or a demonstration of a technical process * * *

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TITLE VII—APPROPRIATIONS

GENERAL AUTHORIZATION

SEC. 701. Appropriations to carry out the purposes of this Act are hereby authorized.

TRANSFER OF FUNDS

SEC. 702. The Secretary shall authorize the transfer to other Government agencies for expenditure in the United States and in other countries, in order to carry out the purposes of this Act, any part of any appropriations available to the Department for carrying out the purposes of this Act, for direct expenditure or as a working fund, and any such expenditures may be made under the specific authority contained in this Act or under the authority governing the activities of the Government agency to which a part of any such appropriation is transferred, provided the activities come within the scope of this Act.

TITLE VIII—ADMINISTRATIVE PROCEDURES

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GOVERNMENT AGENCIES

SEC. 802. In carrying on activities which further the purposes of this Act, subject to approval of such activities by the Secretary, the Department and the other Government agencies are authorized—

(1) to place orders and make purchases and rentals of materials and equipment;

(2) to make contracts, including contracts with governmental agencies, foreign or domestic, including subdivisions thereof, and intergovernmental organizations of which the United States is a member, and, with respect to contracts entered into in foreign countries, without regard to section 3741 of the Revised Statutes (41 U.S.C. 22);

(3) under such regulations as the Secretary may prescribe, to pay the transportation expenses, and not to exceed $10 per diem in lieu of subsistence and other expenses, of citizens or subjects of other countries, without regard to the Standardized Government Travel Regulations and the Subsistence Act of 1926, as amended; and

(4) to make grants for, and to pay expenses incident to, training and study.

MAXIMUM USE OF EXISTING GOVERNMENT PROPERTY AND FACILITIES

Sec. 803. In carrying on activities under this Act which require the utilization of Government property and facilities, maximum use shall be made of existing Government property and facilities.

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(22 U.S.C. 1431-1479) Enacted Jan. 27, 1948, P.L. 402, 80th Cong., 62 Stat. 6-13; amended Apr. 5, 1952, P.L. 298, 82nd Cong., 66 Stat. 43 et seq.; amended Sept. 21, 1961, P.L. 87-256, 75 Stat. 538, et seq; amended Sept. 2, 1965, P.L. 89-164, 79 Stat. 643.

Agricultural Trade Development and Assistance Act of 1954

(P.L. 480, 83d Congress)

AN ACT To increase the consumption of the United States agricultural commodities in foreign countries, to improve the foreign relation of the United States, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Agricultural Trade Development and Assistance Act of 1954".

Sec. 2. The Congress hereby declares it to be the policy of the United States to expand international trade; to develop and expand export markets for United States agricultural commodities; to use the abundant agricultural productivity of the United States to combat hunger and malnutrition and to encourage economic development in the developing countries, with particular emphasis on assistance to those countries that are determined to improve their own agricultural production; and to promote in other ways the foreign policy of the United States.

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Sec. 104. Notwithstanding any other provision of law, the President may use or enter into agreements with foreign countries or international organizations to use the foreign currencies, including principal and interest from loan repayments, which accrue in connection with sales for foreign currencies under this title for one or more of the following purposes:

(a) For payment of United States obligations (including obligations entered into pursuant to other legislation);

(b) For carrying out programs of United States Government agencies to—

(1) help develop new markets for United States agricultural commodities on a mutually benefitting basis. From sale proceeds and loan repayments under this title not less than the equivalent of 5 per centum of the total sales made each year under this title shall be set aside in the amounts and kinds of foreign currencies specified by the Secretary of Agriculture and made available in advance for use as provided by this paragraph over such period of years as the Secretary of Agriculture determines will most effectively carry out the purpose of this paragraph: *Provided*, That the Secretary of Agriculture may release such amounts of the foreign currencies so set aside as he determines cannot be effectively used for agricultural market development purposes under this section, except that no release shall be made until the expiration of thirty days following the date on which notice of such proposed release is transmitted by the President to the Senate Committee on Agriculture and Forestry and to the House Committee on Agriculture, if transmitted while Congress is in session, or sixty days following the date of transmittal if transmitted while Congress is not in session. Provision shall be made in sale and loan agreements for the convertibility of such amount of the proceeds thereof (not less than 2 per centum) as the Secretary of Agriculture determines to be needed to carry out the purpose of this paragraph in those countries which are or offer reasonable potential of becoming dollar markets for United States agricultural commodities. Such sums shall be converted into the types and kinds of foreign currencies as the Secretary deems necessary to carry out the provisions of this paragraph and such sums shall be deposited to a special Treasury account and shall not be made available or expended except for carrying out the provisions of this paragraph. Notwithstanding any other provision of law, if sufficient foreign currencies for carrying out the purpose of this paragraph in such countries are not otherwise available, the Secretary of Agriculture is authorized and directed to enter into agreements with such countries for the sale of agricultural commodities in such amounts as the Secretary of Agriculture determines to be adequate and for the use of the proceeds to carry out the purpose of this paragraph. In carrying out agricultural market development activities, nonprofit agricultural trade organizations shall be utilized to the maximum extent practicable. The purpose of this paragraph shall include such representation of agricultural industries as may be required during the course of discussions on trade programs relating either to individual commodities or groups of commodities;

(2) finance with not less than 2 per centum of the total sales proceeds received each year in each country activities to

assist international educational and cultural exchange and to provide for the strengthening of the resources of American schools, colleges, universities, and other public and nonprofit educational agencies for international studies and research under the programs authorized by title VI of the National Defense Education Act, the Mutual Educational and Cultural Exchange Act of 1961, the International Education Act of 1966, the Higher Education Act of 1965, the Elementary and Secondary Education Act of 1965, the National Foundation on the Arts and the Humanities Act of 1965, and the Public Broadcasting Act of 1967.

(3) collect, collate, translate, abstract, and disseminate scientific and technological information and conduct research and support scientific activities overseas including programs and projects of scientific cooperation between the United States and other countries such as coordinated research against diseases common to all of mankind or unique to individual regions of the globe, and promote and support programs of medical and scientific research, cultural and educational development, family planning, health, nutrition, and sanitation;

(4) acquire by purchase, lease, rental, or otherwise, sites and buildings and grounds abroad, for United States Government use including offices, residence quarters, community and other facilities, and construct, repair, alter, and furnish such buildings and facilities;

(5) finance under the direction of the Librarian of Congress, in consultation with the National Science Foundation and other interested agencies, (A) programs outside the United States for the analysis and evaluation of foreign books, periodicals, and other materials to determine whether they would provide information of technical or scientific significance in the United States and whether such books, periodicals, and other materials are of cultural or educational significance, (B) the registry, indexing, binding, reproduction, cataloging, abstracting, translating, and dissemination of books, periodicals, and related materials determined to have such significance; and (C) the acquisition of such books, periodicals, and other materials and the deposit thereof in libraries and research centers in the United States specializing in the areas to which they relate;

(c) To procure equipment, materials, facilities, and services for the common defense including internal security;

(d) For assistance to meet emergency or extraordinary relief requirements other than requirements for food commodities: *Provided*, That not more than a total amount equivalent to $5,000,000 may be made available for this purpose during any fiscal year;

(e) For use to the maximum extent under the procedures established by such agency as the President shall designate for loans to United States business firms (including cooperatives) and branches, subsidiaries, or affiliates of such firms for business development and trade expansion in such countries, including loans for private home construction, and for loans to domestic or foreign firms (including cooperatives) for the establishment of facilities for aiding in the utilization, distribution, or otherwise increasing the consumption of, and markets for, United States agriculturial products: *Provided, however*, That no such loans shall be made for the manufacture of any products intended to be exported to the United States in competition with products produced in the United States and due consideration shall be given to the continued expansion of markets for United States agricultural commodities or the products thereof. Foreign currencies may be accepted in repayment of such loans;

(f) To promote multilateral trade and agricultural and other economic development, under procedures, established by the President, by loans or by use on any other manner which the President may determine to be in the national interest of the United States, particularly to assist programs of recipient countries designed to promote, increase, or improve food production, processing, distribution, or marketing in food-deficit countries friendly to the United States, for which purpose the President may utilize to the extent practicable the services of nonprofit voluntary agencies registered with and approved by the Advisory Committee on Voluntary Foreign Aid. *Provided*, That no such funds may be utilized to promote religious activities;

(g) For the purchase of goods or services for other friendly countries;

(h) For financing, at the request of such country, programs emphasizing maternal welfare, child health and nutrition, and activities, where participation is voluntary, related to the problems of population growth, under procedures established by the President through any agency of the United States, or through any local agency which he determines is qualified to administer such activities. (Not less than 5 per centum of the total sales proceeds received each year shall, if requested by the foreign country, be used for voluntary programs to control population growth;

(i) For paying, to the maximum extent practicable, the costs outside the United States of carrying out the program authorized in section 406 of this Act;

(j) For sale for dollars to United States citizens and nonprofit organizations for travel or other purposes of currencies determined to be in excess of the needs of departments and agencies of the United States for such currencies. The United States dollars received from the sale of such foreign currencies shall be deposited to the account of Commodity Credit Corporation; and

(k) For paying, to the maximum extent practicable, the costs of carrying out programs for the control of rodents, insects, weeds, and other animal or plant pests;

Provided That—

(1) Section 1415 of the Supplemental Appropriation Act, 1953, shall apply to currencies used for the purposes specified in subsections (a) and (b),

(2) Section 1415 of the Supplemental Appropriation Act, 1953, shall apply to all foreign currencies used for grants under subsections (f) and (g), to not less than 10 per centum of the foreign currencies which accrue pursuant to agreements entered into on or before December 31, 1964, and to not less than 20 per centum in the aggregate of the foreign currencies which accrue pursuant to agreements entered into thereafter: *Provided, however*, That the President is authorized to waive such applicability of section 1415 in any case where he determines that it would be inappropriate or inconsistent with the purposes of this title,

(3) No agreement or proposal to grant any foreign currencies (except as provided in subsection (c) of this section), or to use (except pursuant to appropriation Act) any principal or interest from loan repayments under this section shall be entered into or carried out until the expiration of thirty days following the date on which such agreement of proposal is transmitted by the President to the Senate Committee on Agriculture and Forestry and to the House Committee on Agriculture, if transmitted while Congress is in session, or sixty days following the date of transmittal if transmitted while Congress is not in session,

(4) Any loan made under the authority of this section shall bear interest at such rate as the President may determine but not less than the cost of funds to the United States Treasury, taking into consideration the current average market yields on outstanding marketable obligations of the United States having maturity comparable to the maturity of such loans, unless the President shall in specific instances after consultation with the advisory committee established under section 407 designate a different rate:

Provided, further, That paragraphs (2), (3), and (4) of the foregoing proviso shall not apply in the case of any nation where the foreign currencies or credits owned by the United States and available for use by it in such nation are determined by the Secretary of the Treasury to be in excess of the normal requirements of the departments and agencies of the United States for expenditures in such nations for the two fiscal years following the fiscal year in which such determination is made. The amount of any such excess shall be devoted to the extent practicable and without regard to paragraph (1) of the foregoing proviso, to the acquisition of sites, buildings, and grounds under paragraph (4) of subsection (b) of this section and to assist such nation in undertaking self-help measures to increase its production of agricultural commodities and its facilities for storage and distribution of such commodities. Assistance under the foregoing provision shall be limited to self-help measures additional to those which would be undertaken without such assistance. Upon the determination by the Secretary of the Treasury that such an excess exists with respect to any nation, the President shall advise the Senate Committee on Agriculture and Forestry and the House Committee on Agriculture of such determination; and shall thereafter report to each such committee as often as may be necessary to keep such Committee advised as to the extent of such excess, the purposes for which it is used or proposed to be used, and the effects of such use.

SEC. 105. Foreign currencies received pursuant to this Act shall be deposited in a special account to the credit of the United States and shall be used only pursuant to section 104, and any department or agency of the Government using any of such currencies for a purpose for which funds have been appropriated shall reimburse the Commodity Credit Corporation in an amount equivalent to the dollar value of the currencies used. The President shall utilize foreign currencies received pursuant to this Act in such manner as will, to the maximum extent possible, reduce any deficit in the balance of payments of the United States.

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SEC. 107. (a) It is also the policy of the Congress to stimulate and maximize the sale of United States agricultural commodities for dollars through the private trade and to further the use of private enterprise to the maximum, thereby strengthening the development and expansion of foreign commercial markets for United States agricultural commodities. In furtherance of this policy, the Secretary of Agriculture is authorized, notwithstanding any other provision of law, to enter into agreements with foreign and United States private trade for financing the sale of agricultural commodities for export over such periods of time and on such credit terms as the Secretary determines will accomplish the objectives of this section. Any agreement entered into under this section shall provide for the development and execution of projects which will result in the establishment of facilities designed to improve the storage or marketing of agricultural commodities, or which will otherwise stimulate and expand private economic enterprise in any friendly country. Any agreement entered into under this section shall also provide for the furnishing of such security as the Secretary determines necessary to provide reasonable and adequate assurance of payment of the purchase price in dollars with interest at a rate which will as nearly as practicable be equivalent to the average cost of funds to the United States Treasury, as determined by the Secretary of the Treasury, on outstanding marketable obligations of the United States having maturities comparable to maturities of credits extended under this section. In no event shall the rate of interest be less than the minimum rate, or the delivery period, deferral of first payment, or term of credit be longer than the maximum term, authorized in section 106. In carrying out this Act, the authority provided in this section for making dollar sales shall be used to the maximum extent practicable.

(b) In carrying out the provisions of this section, the Secretary shall take reasonable precautions to safeguard usual marketings of the United States and to avoid displacing any sales of United States agricultural commodities which the Secretary finds and determines would otherwise be made for cash dollars.

(c) The Secretary shall obtain commitments from purchasers that will prevent resale or transshipment to other countries, or use for other than domestic purposes, of agricultural commodities purchased under this section.

(d) In carrying out this Act, the provisions of sections 102, 103(a), 103(d), 103(e), 103(f), 103(j), 103(k), 110, 401, 402, 403, 404, 405, 407, 408, and 409 shall be applicable to sales under this section.

Sec. 108. The Commodity Credit Corporation may finance ocean freight charges incurred pursuant to agreements for sales for foreign currencies (other than those providing for conversion to dollars as described in section 103(b) of this Act) entered into hereunder only to the extent that such charges are higher (than would otherwise be the case) by reason of a requirement that the commodities be transported in United States-flag vessels. Such agreements shall require the balance of such charges for transportation in United States vessels to be paid in dollars by the nations or organizations with whom such agreements are entered into.

Sec. 109. (a) Before entering into agreements with developing countries for the sale of United States agricultural commodities on whatever terms, the President shall consider the extent to which the recipient country is undertaking wherever practicable self-help measures to increase per capita production and improve the means for storage and distribution of agricultural commodities, including:

(1) devoting land resources to the production of needed food rather than to the production of nonfood crops—especially nonfood crops in world surplus;

(2) development of the agricultural chemical, farm machinery and equipment, transportation and other necessary industries through private enterprise;

(3) training and instructing farmers in agricultural methods and techniques;

(4) constructing adequate storage facilities;

(5) improving marketing and distribution systems;

(6) creating a favorable environment for private enterprise and investment, both domestic and foreign, and utilizing available technical know-how;

(7) establishing and maintaining Government policies to insure adequate incentives to producers;

(8) establishing and expanding institutions for adaptive agricultural research;

(9) allocating for these purposes sufficient national budgetary and foreign exchange resources (including those supplied by bilateral, multilateral and consortium aid programs) and local currency resources (resulting from loans or grants to recipient governments of the proceeds of local currency sales); and

(10) Carrying out voluntary programs to control population growth.

(b) Notwithstanding any other provisions of this Act, in agreements with nations not engaged in armed conflict against Communist forces or against nations with which the United States has no diplomatic relations, not less than 20 per centum of the foreign currencies set aside for purposes other than those in sections 104 (a), (b), (e), and (j) shall be allocated for the self-help measures set forth in this section.

(c) Each agreement entered into under this title shall describe the program which the recipient country is undertaking to improve its production, storage, and distribution of agricultural commodities; and shall provide for termination of such agreement whenever the President finds that such program is not being adequately developed.

Sec. 110. Agreements shall not be entered into under this title during any calendar year which will call for an appropriation to reimburse the Commodity Credit Corporation in an amount in excess of $1,900,000,000, plus any amount by which agreements entered into under this title in prior years have called or will call for appropriations to reimburse the Commodity Credit Corporation in amounts less than authorized for such prior years.

Legislative History

(7 U.S.C. 1691) Enacted July 10, 1954, as P.L. 480, 83d Cong., 68 Stat. 459; amended Aug. 26, 1954, P.L. 665, 83d Cong., 68 Stat. 862; amended Apr. 25, 1955, P.L. 27, 84th Cong., 69 Stat. 44; amended Aug. 12, 1955, P.L. 387, 84th Cong., 69 Stat. 721; amended May 28, 1956, P.L. 540, 84th Cong., 70 Stat. 201; amended July 18, 1956, P.L. 726, 84th Cong., 70 Stat. 564; amended Aug. 3, 1956, P.L. 962, 84th Cong., 70 Stat. 988; amended Aug. 13, 1957, P.L. 85–128, 71 Stat. 345, Aug. 14, 1957, P.L. 85–141, 71 Stat. 365, June 30, 1958, P.L. 85–477, 72 Stat. 275; amended Sept. 6, 1958, P.L. 85–931, 72 Stat. 1790; amended July 24, 1959, P.L. 86–108, 73 Stat. 258; amended Sept. 21, 1959; P.L. 86–341, 73 Stat. 607; amended May 4, 1961, P.L. 87–27, 75 Stat. 64; amended Aug. 8, 1961, P.L. 87–128, 75 Stat. 306; amended Sept. 4, 1961, P.L. 87–195, 75 Stat. 463; amended Sept. 27, 1962, P.L. 87–703, 76 Stat. 611; amended Oct. 18, 1962, P.L. 87–839, 76 Stat. 1074; amended Dec. 16, 1963, P.L. 88–205, 77 Stat. 386; amended Oct. 8, 1964, P.L. 88–638, 78 Stat. 1035; amended Nov. 11, 1966, P.L. 89–808, 80 Stat. 1526; amended July 29, 1968, P.L. 90–436, 82 Stat. 450.

Mutual Educational and Cultural Exchange Act of 1961

(P.L. 87–256)

AN ACT To provide for the improvement and strengthening of the international relations of the United States by promoting better mutual understanding among the people of the world through educational and cultural exchanges

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Mutual Educational and Cultural Exchange Act of 1961".

Sec. 101. Statement of Purpose.—The purpose of this Act is to enable the Government of the United States to increase mutual understanding between the people of the United States and the people of other countries by means of educational and cultural exchange; to strengthen the ties which unite us with other nations by demonstrating the educational and cultural interests, developments, and achievements of the people of the United States and other nations, and the contributions being made toward a peaceful and more fruitful life for people throughout the world; to promote international cooperation for educational and cultural advancement; and thus to assist in the development of friendly, sympathetic, and peaceful relations between the United States and the other countries of the world.

Sec. 102. (a) The President is authorized, when he considers that it would strengthen international cooperative relations, to provide, by grant, contract, or otherwise, for—

(1) educational exchanges, (i) by financing studies, research, instruction, and other educational activities—

(A) of or for American citizens and nationals in foreign countries; and

(B) of or for citizens and nationals of foreign countries in American schools and institutions of learning located in or outside the United States;

and (ii) by financing visits and interchanges between the United States and other countries of students, trainees, teachers, instructors, and professors;

(2) cultural exchanges, by financing—

(i) visits and interchanges between the United States and other countries of leaders, experts in fields of specialized knowledge or skill, and other influential or distinguished persons;

(ii) tours in countries abroad by creative and performing artists and athletes from the United States, individually and in groups, representing any field of the arts, sports, or any other form of cultural attainment;

(iii) United States representation in international artistic, dramatic, musical, sports, and other cultural festivals, competitions, meetings, and like exhibitions and assemblies;

(iv) participation by groups and individuals from other countries in nonprofit activities in the United States similar to those described in subparagraphs (ii) and (iii) of this paragraph, when the President determines that such participation is in the national interest.

(3) United States participation in international fairs and expositions abroad, including trade and industrial fairs and other public or private demonstrations of the United States economic accomplishments and cultural attainments.

(b) In furtherance of the purposes of this Act, the President is further authorized to provide for—

(1) interchanges between the United States and other countries of handicrafts, scientific, technical, and scholarly books, books of literature, periodicals, and Government publications, and the reproduction and translation of such writings and the preparation, distribution, and interchange of other educational and research materials, including laboratory and technical equipment for education and research;

(2) establishing and operating in the United States and abroad centers for cultural and technical interchanges to promote better relations and understanding between the United States and other nations through cooperative study, training, and research;

(3) assistance in the establishment, expansion, maintenance, and operation of schools and institutions of learning abroad, founded, operated, or sponsored by citizens or nonprofit institutions of the United States, including such schools and institutions serving as demonstration centers for methods and practices employed in the United States;

(4) fostering and supporting American studies in foreign countries through professorships, lectureships, institutes, seminars, and courses in such subjects as American history, government, economics, language, and literature, and other subjects related to American civilization and culture, including financing the attendance at such studies by persons from other countries;

(5) promoting and supporting medical, scientific, cultural, and educational research and development;

(6) promoting modern foreign language training and area studies in United States schools, colleges, and universities by supporting visits and study in foreign countries by teachers and prospective teachers in such schools, colleges, and universities for the purpose of improving their skill in languages and their knowledge of the culture of the people of these countries, and by financing visits by teachers from those countries to the United States for the purpose of participating in foreign language training and area studies in United States schools, colleges, and universities;

(7) United States representation at international nongovernmental educational, scientific, and technical meetings;

(8) participation by groups and individuals from other countries in educational, scientific, and technical meetings held under American auspices in or outside the United States;

(9) encouraging independent research into the problems of educational and cultural exchange; and

(10) promoting studies, research, instruction, and other educational activities of citizens and nationals of foreign countries in American schools, colleges, and universities located in the United States by making available to citizens and nationals of less developed friendly foreign countries for exchange for currencies of their respective countries (other than excess foreign currencies), at United States embassies, United States dollars in such amounts as may be necessary to enable such foreign citizens or nationals who are coming temporarily to the United States as students, trainees, teachers, instructors, or professors to meet expenses of the kind described in section 104(e)(1) of this Act.

Sec. 103. (a) The President is authorized to enter into agreements with foreign governments and international organizations, in furtherance of the purposes of this Act. In such agreements the President is authorized, when he deems it in the public interest, to seek the agreement of the other governments concerned to cooperate and assist, including making use of funds placed in special accounts pursuant to agreements concluded in accordance with section 115(b)(6) of the Economic Cooperation Act of 1948, or any similar agreements, in providing for the activities authorized in section 102, and particularly those authorized in subsection 102(a)(1), of this Act with respect to the expenses of international transportation of their own citizens and nationals and of activities in furtherance of the purposes of this Act carried on within the borders of such other nations.

(b) Such agreements may also provide for the creation or continuation of binational or multinational educational and cultural foundations and commissions for the purpose of administering programs in furtherance of the purposes of this Act.

(c) In such agreements with international organizations, the President may provide for equitable United States participation in and support for, including a reasonable share of the cost of, educational and cultural programs to be administered by such organizations.

Sec. 104(a) The President may delegate, to such officers of the Government as he determines to be appropriate, any of the powers conferred upon him by this Act to the extent that he finds such delegation to be in the interest of the purposes expressed in this Act and the efficient administration of the programs undertaken pursuant to this Act: *Provided*, That where the President has delegated any of such powers to any officer, before the President implements any proposal for the delegation of any of such powers to another officer, that proposal shall be submitted to the Speaker of the House of Representatives and to the Committee on Foreign Relations of the Senate, and thereafter a period of not less than sixty days shall have elapsed while Congress is in session. In computing such sixty days, there shall be excluded the days on which either House is not in session because of an adjournment of more than three days.

(b) The President is authorized to employ such other personnel as he deems necessary to carry out the provisions and purposes of this Act, and of such personnel not to exceed ten may be compensated without regard to the provisions of the Classification Act of 1949, as amended, and of these not to exceed five may be compensated at a rate in excess of the highest rate of grade 18 of the general schedule established by such Act. Such positions shall be in addition to the number authorized by section 505 of the Classification Act of 1949, as amended.

(c) For the purpose of performing functions under this Act outside the United States, including participation in binational or multinational foundations or commissions, the Secretary of State may employ or assign or authorize the employment or assignment for the duration of operations under this Act of persons in or to the Foreign Service Reserve or Foreign Service Staff and alien clerks and employees in accordance with applicable provisions of the Foreign Service Act of 1946, as amended (22 U.S.C. 801).

(d) For the purpose of performing functions under this Act outside the United States, the President is authorized to provide that any person employed or assigned by a United States Government agency shall be entitled, except to the extent that the President may specify otherwise in cases in which the period of employment or assignment exceeds thirty months, to the same benefits as are provided by section 528 of the Foreign Service Act of 1946, as amended (22 U.S.C. 928), for persons appointed to the Foreign Service Reserve and, except for policymaking officials, the provisions of section 1005 of the Foreign Service Act of 1949, as amended (22 U.S.C. 807), shall apply in the case of such persons.

(e)(1) In providing for the activities and interchanges authorized by section 102 of this Act, grants may be made to or for individuals, either directly or through foundations or educational or other institutions, which foundations or institutions are public or private nonprofit, and may include funds for tuition and other necessary incidental expenses, for travel expenses from their places of residence and return for themselves, and, whenever it would further the purposes of this Act, for the dependent members of their immediate families, for health and accident insurance premiums, emergency medical expenses, costs of preparing and transporting to their former homes the remains of any of such persons who may die while away from their homes as participants or dependents of participants in any program under this Act, and for per diem in lieu of subsistence at rates prescribed by the

President, for all such persons, and for such other expenses as are necessary for the successful accomplishment of the purposes of this Act.

(2) Funds available for programs under this Act may be used (i) to provide for orientation courses, language training, or other appropriate services and materials for persons traveling out of the countries of their residence for educational and cultural purposes which further the purposes of this Act, whether or not they are receiving other financial support from the Government, and (ii) to provide or continue services to increase the effectiveness of such programs following the return of such persons to the countries of their residence.

(3) For the purpose of assisting foreign students in making the best use of their opportunities while attending colleges and universities in the United States, and assisting such students in directing their talents and initiative into channels which will make them more effective leaders upon return to their native lands, the President may make suitable arrangements, by contract or otherwise, for the establishment and maintenance at colleges and universities in the United States attended by foreign students of an adequate counseling service.

(4) The President is authorized to provide for publicity and promotion (including representation) abroad of activities of the type provided for in this Act.

(f) All persons employed or assigned to duties under this Act shall be investigated with respect to loyalty and suitability in accordance with standards and procedures established by the President.

(g)(1) For the purpose of performing functions authorized by section 102(b)(10) of this Act, the President is authorized to establish the exchange rates at which all foreign currencies may be acquired through operations under such section, and shall issue regulations binding upon all embassies with respect to the exchange rates to be applicable in each of the respective countries where currency exchanges are authorized under such section.

(2) In performing the functions authorized under section 102(b) (10) of this Act, the President shall make suitable arrangements for protecting the interests of the United States Government in connection with the ownership, use, and disposition of all foreign currencies acquired pursuant to exchanges made under such section.

(3) The total amount of United States dollars acquired by any individual through currency exchanges under the authority of section 102(b)(10) of this Act shall in no event exceed $3,000 during any academic year.

(4) An individual shall be eligible to exchange foreign currency for United States dollars at United States embassies under section 102(b)(10) of this Act only if he gives satisfactory assurances that (A) he will devote essentially full time to his proposed educational activity in the United States and will maintain good standing in relation to such program; (B) he will return to the country of his citizenship or nationality prior to coming to the United States and will render such public service as is determined acceptable for a period of time determined reasonable and necessary by the government of such country; and (C) he will not apply for an immigrant visa or for permanent residence or for a nonimmigrant visa under the Immi-

gration and Nationality Act after having received any benefits under such section for a period of time equal to the period of study, research, instruction, or other educational activity he performed pursuant to such section.

(5) As used in section 102(b)(10) of this Act, the term "excess foreign currencies" means foreign currencies, which if acquired by the United States (A) would be in excess of the normal requirements of departments, agencies, and embassies of the United States for such currencies, as determined by the President, and (B) would be available for the use of the United States Government under applicable agreements with the foreign country concerned.

Sec. 105. (a) Appropriations to carry out the purposes of this Act to remain available until expended, are hereby authorized, and this authorization includes the authority to grant, in any appropriation Act, the authority to enter into contracts, within the amounts so authorized, creating obligations in advance of appropriations.

(b) Funds appropriated for programs under this Act may, without regard to section 3651 of the Revised Statutes (31 U.S.C. 543), be used for the acquisition from any source of foreign currencies in such amounts as may be necessary for current expenditures and for grants, including grants to foundations and commissions in accordance with international agreements providing for the accomplishment of the purposes of this Act.

(c) Moneys appropriated to any department or agency of the Government in furtherance of the purposes of this Act for research, technical aid, and educational and cultural programs, may be transferred by the President to any other appropriation available for like purposes, but no appropriation authorized by this Act shall be increased or decreased by more than 10 per centum by reason of transfers pursuant to this paragraph.

(d) The President is authorized—

(1) to reserve in such amounts and for such periods as he shall determine to be necessary to provide for the programs authorized by subsections 102(a)(1) and 102(a)(2)(i), and

(2) not withstanding the provisions of any other law, to use in such amounts as may from time to time be specified in appropriation Acts, to the extent that such use is not restricted by agreement with the foreign nations concerned, for any programs authorized by this Act,

any currencies of foreign nations received or to be received by the United States or any agency thereof—

(i) under agreements disposing of surplus property or settling lend-lease and other war accounts concluded after World War II;

(ii) as the proceeds of sales or loan repayments, including interest, for transactions heretofore or hereafter effected under the Agricultural Trade Development and Assistance Act of 1954, as amended;

(iii) in repayment of principal or interest on any other credit extended or loan heretofore or hereafter made by the United States or any agency thereof; or

(iv) as deposits to the account of the United States pursuant to section 115(b)(6) or section 115(h) of the Economic Cooperation Act of 1948, as amended, or any similar provision of any other law.

(e) The President is further authorized to reserve and use for educational and cultural exchange programs and other activities authorized in subsections 102(a) and (b) of this Act, in relation to Finland and the people of Finland, all sums due or paid on and after August 24, 1949, by the Republic of Finland to the United States as interest on or in retirement of the principal of the debt incurred under the Act of February 25, 1919, as refunded by the agreement dated May 1, 1923, pursuant to the authority contained in the Act of February 9, 1922, or of any other indebtedness incurred by that Republic and owing to the United States as a result of World War I.

(f) Foreign governments, international organizations and private individuals, firms, associations, agencies, and other groups shall be encouraged to participate to the maximum extent feasible in carrying out this Act and to make contributions of funds, property, and services which the President is hereby authorized to accept, to be utilized to carry out the purposes of this Act. Funds made available for the purposes of this Act may be used to contribute toward meeting the expenses of activities carried out through normal private channels, by private means, and through foreign governments and international organizations.

(g) Notwithstanding any other provision of this Act, there are authorized to be appropriated for the purposes of making currency exchanges under section 102(b)(10) of this Act, not to exceed $10,000,000 for the fiscal year ending June 30, 1968, and not to exceed $15,000,000 for the fiscal year ending June 30, 1969.

Sec. 106. (a)(1) For the purpose of selecting students, scholars, teachers, trainees, and other persons to participate in the programs authorized under section 102(a)(1) of this Act, and of supervising such programs and the programs authorized under section 102(b)(4) and (6), there is hereby continued the authority of the President to appoint a Board of Foreign Scholarships (hereinafter referred to as the "Board") consisting of twelve members. In connection with appointments to such Board, due consideration shall be given to the selection of distinguished representatives of cultural, educational, student advisory, and war veterans groups, and representatives of the United States Office of Education, the United States Veterans' Administration, public and private nonprofit educational institutions.

(2) In the selection of American citizens for participation in programs under this Act, preference shall be given to those who have served in the Armed Forces of the United States, and due consideration shall be given to applicants from all geographical areas of the United States.

(b)(1) The United States Advisory Commission on International Education and Cultural Affairs (hereinafter referred to as the "Commission") is hereby established to replace the United States Advisory Commission on Educational Exchange. The Commission shall formulate and recommend to the President policies for exercising his authority under this Act and shall appraise the effectiveness of programs carried out pursuant to it. The Commission shall make a special study of the effectiveness of past programs with emphasis on the activities of a reasonably representative cross section of past recipients of aid and shall submit a report to the Congress not later than December 31, 1962.

(2) The Commission shall consist of nine members, who shall be appointed by the President, by and with the advice and consent of the Senate. Members of the Commission shall be appointed on a nonpartisan basis.

(3) The members of the Commission shall represent the public interest and shall be selected from a cross section of educational, cultural, scientific technical and public service backgrounds.

(4) The term of each member shall be three years except that, of the first nine appointments, three shall be for a term of one year and three shall be for a term of two years. Any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor is appointed shall be appointed for the remainder of such term. Upon the expiration of his term of office any member may continue to serve until his successor is appointed and has qualified.

(5) The President shall designate a Chairman from among members of the Commission.

(6) The Commission is authorized to adopt such rules and regulations as it may deem necessary to carry out the authority conferred upon it by this Act.

(c)(1) There is hereby continued the Advisory Committee on the Arts (hereinafter referred to as the "Committee") created under section 10 of the International Cultural Exchange and Trade Fair Participation Act of 1956, consisting of a Chairman and nine other members of whom at least one shall be a member of the Commission. Appointment of all members and selection of the Chairman of this Committee shall hereafter be made by the Secretary of State. In making such appointments due consideration shall be given to the recommendations for nomination submitted by leading national organizations in the major art fields.

(2) The members of the Committee shall be individuals whose knowledge of or experience in, or whose profound interest in, one or more of the arts will enable them to assist the Commission, the President, and other officers of the Government in performing the functions described in paragraph (3) of this subsection.

(3) The Committee shall, in connection with activities authorized under subsection 102(a)(2) of this Act—

(A) advise and assist the Commission in the discharge of its responsibilities in the field of international educational exchange and cultural presentations with special reference to the role of the arts in such fields;

(B) advise other interested officers of the Government in the discharge of their responsibilities in connection with such activities and in connection with other international activities concerned with the arts;

(C) provide such other advice and assistance as may be necessary or appropriate.

(4) The term of office of each of the members of the Committee shall be three years.

(d) The President is authorized to create such interagency and other advisory committees as in his judgment may be of assistance in carrying out the purposes of this Act, and from time to time to convene conferences of persons interested in educational and cultural affairs to consider matters relating to the purposes of this Act.

(e) The provisions of section 214 of the Act of May 3, 1945 (59 Stat. 134; 31 U.S.C. 691), shall be applicable to any interagency committee created pursuant to the provisions of this Act. Members of the Board, the Commission, the Committee, and other committees provided for in this section shall be entitled (i) to transportation expenses and per diem in lieu of subsistence at the rate prescribed by or established pursuant to section 5 of the Administrative Expense Act of 1946, as amended (5 U.S.C. 73b–2), while away from home in connection with attendance at meetings or in consultation with officials of the Government or otherwise carrying out duties as authorized, and (ii) if not otherwise in the employ of the United States Government, to compensation at rates not in excess of $50 per diem while performing services for such Board, Commission, Committee, or other committee.

(f) The President is authorized to provide for necessary secretarial and staff assistance for the Board, the Commission, the Committee, and such other committees as may be created under this section.

SEC. 107. The Board, the Commission, and the Committee shall submit annual reports to the Congress and such other reports to the Congress as they deem appropriate, and shall make reports to the public in the United States and abroad to develop a better understanding of and support for the programs authorized by this Act.

SEC. 108. (a) Whenever the President determines it to be in furtherance of this Act, the function authorized in section 102(a) (2) and (3) may be performed without regard to such provisions of law or limitations of authority regulating or relating to the making, performance, amendment, or modification of contracts, the acquisition and disposition of property, and the expenditure of Government funds, as he may specify.

(b) The President shall submit annual reports to the Congress of activities carried on and expenditures made in furtherance of the purposes of this Act. Each such report shall include the texts of agreements made with other nations during the period covered by the report, a full description of the program and the funds expended with respect to each country in which activities have been carried on in furtherance of the purposes of this Act.

(c) In connection with activities authorized by section 102(a) (2) and (3) of this Act, the President is authorized to provide for all necessary expenditures involved in the selection, purchase, rental, construction, or other acquisition, of exhibits and materials and equipment therefor, and the actual display thereof, including but not limited to costs of transportation, insurance, installation, safekeeping and storage, maintenance and operation, rental of space, and dismantling.

(d) The President is authorized to utilize the provisions of title VIII of the United States Information and Education Exchange Act of 1948, as amended, to the extent he deems necessary in carrying out the provisions and purposes of this Act.

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(22 U.S.C. 2451–2458) Enacted Sept. 21, 1961, P.L. 87–256, 75 Stat. 527; amended Aug. 1, 1962, P.L. 87–565, 76 Stat. 263; amended Oct. 29, 1966, P.L. 89–698, Title II, sec. 203, 80 Stat. 1071.

Foreign Assistance Act of 1961

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PART I—ACT FOR INTERNATIONAL DEVELOPMENT OF 1961

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Sec. 101. Statement of Policy. * * *

The Congress further declares that in the administration of programs of assistance under this chapter, the highest practicable emphasis should be given to: programs providing for loans or loan guarantees for use by institutions and organizations in making repayable low-interest rate loans to individuals in friendly foreign countries for * * * financing the opportunity for individuals to obtain practical education in vocational and occupational skills * * *.

Title II—Development Grants and Technical Cooperation

Sec. 211. General Authority.—(a) The President is authorized to furnish assistance on such terms and conditions as he may determine in order to promote the economic development of less developed friendly countries and areas, with emphasis upon assisting the development of human resources through such means as programs of technical cooperation and development. In so doing, the President shall take into account (1) whether the activity gives reasonable promise of contributing to the development of educational or other institutions and programs directed toward social progress, (2) the consistency of the activity with, and its relationship to, other development activities being undertaken or planned, and its contribution to realizable long-range development objectives, (3) the economic and technical soundness of the activity to be financed * * *.

(b) In countries and areas which are in the earlier stages of economic development, programs of development of education and human resources through such means as technical cooperation shall be emphasized, and the furnishing of capital facilities for purposes other than the development of education and human resources shall be given a lower priority until the requisite knowledge and skills have been developed.

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Sec. 214. American Schools and Hospitals Abroad.—(a) The President is authorized to furnish assistance, on such terms and conditions as he may specify, to schools and libraries outside the United States founded or sponsored by United States citizens and serving as study and demonstration centers for ideas and practices of the United States.

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Part III

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CHAPTER 2—ADMINISTRATIVE PROVISIONS

SEC. 621. EXERCISE OF FUNCTIONS.—The President may exercise any functions conferred upon him by this chapter through such agency or officer of the United States Government as he shall direct. The head of any such agency or such officer may from time to time promulgate such rules and regulations as may be necessary to carry out such functions, and may delegate authority to perform any such functions, including, if he shall so specify, the authority successively to redelegate any of such functions to any of his subordinates. In providing technical assistance under this chapter, the head of any such agency or such officer shall utilize, to the fullest extent practicable, goods and professional and other services from private enterprises on a contract basis. In such fields as education, health, housing, or agriculture, the facilities and resources of other Federal agencies shall be utilized when such facilities are particularly or uniquely suitable for technical assistance, are not competitive with private enterprise, and can be made available without interfering unduly with domestic programs.

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(22 U.S.C. 2151 et. seq.) Enacted Sept. 4, 1961, P.L. 87-195, 75 Stat. 424; amended Aug. 1962, P.L. 87-567, 76 Stat. 255; Dec. 16, 1963, P.L. 88-205, 77 Stat. 379; Oct. 7, 1964, P.L. 88-633, 78 Stat. 1009; Sept. 6, 1965, P.L. 89-171, 79 Stat. 653.

The Immigration and Nationality Act

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TITLE I—GENERAL

DEFINITIONS

SECTION 101. (a) As used in this Act—

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(15) The term "immigrant" means every alien except an alien who is within one of the following classes of nonimmigrant aliens—

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(F) (i) an alien having a residence in a foreign country which he has no intention of abandoning, who is a bona fide student qualified to pursue a full course of study and who seeks to enter the United States temporarily and solely for the purpose of pursuing such a course of study at an established institution of learning or other recognized place of study in the United States, particularly designated by him and approved by the Attorney General after consultation with the Office of Education of the United States, which institution or place of study shall have agreed to report to the Attorney General the termination of attendance of each nonimmigrant student, and if any such institution of learning or place of study fails to make reports promptly the approval shall be withdrawn, and (ii) the alien spouse and minor children of any such alien if accompanying him or following to join him;

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(J) an alien having a residence in a foreign country which he has no intention of abandoning who is a bona fide student, scholar, trainee, teacher, professor, research assistant, specialist, or leader in a field of specialized knowledge or skill, or other person of similar description, who is coming temporarily to the United States as a participant in a program designated by the Secretary of State, for the purpose of teaching, instructing or lecturing, studying, observing, conducting research, consulting, demonstrating special skills, or receiving training, and the alien spouse and minor children of any such alien if accompanying him or following to join him.

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TITLE II—IMMIGRATION

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Sec. 212. * * *

(e) No person admitted under section 101(a)(15)(J) or acquiring such status after admission shall be eligible to apply for an immigrant visa, or for permanent residence, or for a nonimmigrant visa under section 101(a)(15)(H) until it is established that such person has resided and been physically present in the country of his nationality or his last residence, or in another foreign country for an aggregate of at least two years following departure from the United States: *Provided*, That such residence in another foreign country shall be considered to have satisfied the requirements of this subsection if the Secretary of State determines that it has served the purpose and the intent of the Mutual Educational and Cultural Exchange Act of 1961: *Provided further*, That upon the favorable recommendation of the Secretary of State, pursuant to the request of an interested United States Government agency, or of the Commissioner of Immigration and Naturalization after he has determined that departure from the United States would impose exceptional hardship upon the alien's spouse or child (if such spouse or child is a citizen of the United States or a lawfully resident alien), the Attorney General may waive the requirement of such two-year foreign residence abroad in the case of any alien whose admission to the United States is found by the Attorney General to be in the public interest: *And provided further*, That the provisions of this paragraph shall apply also to those persons who acquired exchange visitor status under the United States Information and Educational Exchange Act of 1948, as amended.

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(8 U.S.C. 1101, et seq.) Enacted June 27, 1952, P.L. 414, 82nd Cong., 66 Stat. 166; amended Sept. 21, 1961, P.L. 87-256, 75 Stat. 527; amended Oct. 3, 1965; P.L. 89-236, 79 Stat. 922.

Migration and Refugee Assistance Act of 1962

AN ACT To enable the United States to participate in the assistance rendered to certain migrants and refugees

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Migration and Refugee Assistance Act of 1962".

Sec. 2. (a) The President is hereby authorized to continue membership for the United States in the Intergovernmental Committee for European Migration in accordance with its constitution approved in Venice, Italy, on October 19, 1953. For the purpose of assisting in the movement of refugees and migrants and to enhance the economic progress of the developing countries by providing for a coordinated supply of selected manpower, there are hereby authorized to be appropriated such amounts as may be necessary from time to time for the payment by the United States of its contributions to the Committee and all necessary salaries and expenses incident to United States participation in the Committee.

(b) There are hereby authorized to be appropriated such amounts as may be necessary from time to time—

(1) for contributions to the activities of the United Nations High Commissioner for Refugees for assistance to refugees under his mandate or in behalf of whom he is exercising his good offices;

(2) for assistance to or in behalf of refugees designated by the President (by class, group, or designation of their respective countries of origin or areas of residence) when the President determines that such assistance will contribute to the defense, or to the Security, or to the foreign policy interests of the United States;

(3) for assistance to or in behalf of refugees in the United States whenever the President shall determine that such assistance would be in the interest of the United States: *Provided*, That the term "refugees" as herein used means aliens who (A) because of persecution or fear of persecution on account of race, religion, or political opinion, fled from a nation or area of the Western Hemisphere; (B) cannot return thereto because of fear of persecution on account of race, religion, or political opinion; and (C) are in urgent need of assistance for the essentials of life;

(4) for assistance to State or local public agencies providing services for substantial numbers of individuals who meet the requirements of subparagraph (3) (other than clause (C) thereof) for (A) health services and educational services to such individuals, and (B) special training for employment and services related thereto;

(5) for transportation to, and resettlement in, other areas of the United States of individuals who meet the requirements of subparagraphs (3) (other than clause (C) thereof) and who, having regard for their income and other resources, need assistance in obtaining such services; and

(6) for establishment and maintenance of projects for employment or refresher professional training of individuals who meet the requirements of subparagraph (3) (other than clause (C)

thereof) and, who, having regard for their income and resources, need such employment or need assistance in obtaining such retraining.

(c) Whenever the President determines it to be important to the national interest, not exceeding $10,000,000 in any fiscal year of the funds made available for use under the Foreign Assistance Act of 1961, as amended, may be transferred to, and consolidated with, funds made available for this Act in order to meet unexpected urgent refugee and migration needs.

(d) The President shall keep the appropriate committees of Congress currently informed of the use of funds and the exercise of functions authorized in this Act.

(e) Unexpended balances of funds made available under authority of the Mutual Security Act of 1954, as amended, and of the Foreign Assistance Act of 1961, as amended, and allocated or transferred for the purposes of sections 405(a), 405(c), 405(d) and 451(c) of the Mutual Security Act of 1954, as amended, are hereby authorized to be continued available for the purposes of this section and may be consolidated with appropriations authorized by this section. Funds appropriated for the purposes of this section shall remain available until expended.

Sec. 3. (a) In carrying out the purpose of this Act, the President is authorized—

(1) to make loans, advances, and grants to, make and perform agreements and contracts with, or enter into other transactions with, any individual, corporation, or other body of persons, government or government agency, whether within or without the United States, and international and intergovernmental organizations;

(2) to accept and use money, funds, property, and services of any kind made available by gift, devise, bequest, grant, or otherwise for such purposes.

(b) Whenever the President determines is to be in furtherance of the purposes of this Act, the functions authorized under this Act may be performed without regard to such provisions of law (other than the Renegotiation Act of 1951 (65 Stat. 7), as amended, regulating the making, performance, amendment, or modification of contracts and the expenditure of funds of the United States Government as the President may specify.

Sec. 4. (a)(1) The President is authorized to designate the head of any department or agency of the United States Government, or any official thereof who is required to be appointed by the President by and with the advice and consent of the Senate, to perform any functions conferred upon the President by this Act. If the President shall so specify, any individual so designated under this subsection is authorized to redelegate to any of his subordinates any functions authorized to be performed by him under this subsection, except the function of exercising the waived authority specified in section 3(b) of this Act.

(2) Section 104(b) of the Immigration and Nationality Act (8 U.S.C. 1104(b)), is amended by inserting after the first sentence the following: "He shall be appointed by the President by and with the advice and consent of the Senate.".

(b) The President may allocate or transfer to any agency of the United States Government any part of any funds available for carrying out the purposes of this Act. Such funds shall be available for obligation and expenditures for the purposes for which authorized in accordance with authority granted in this Act or under authority governing the activities of the agencies of the United States Government to which such funds are allocated or transferred. Funds allocated or transferred pursuant to this subsection to any such agency may be established in separate appropriation accounts on the books of the Treasury.

SEC. 5. (a) Funds made available for the purposes of this Act shall be available for—

(1) compensation, allowances, and travel of personnel, including Foreign Service personnel whose services are utilized primarily for the purpose of this Act, and without regard to the provisions of any other law, for printing and binding, and for expenditures outside the United States for the procurement of supplies and services and for other administrative and operating purposes (other than compensation of personnel) without regard to such laws and regulations governing the obligation and expenditure of Government funds as may be necessary to accomplish the purposes of this Act;

(2) employment or assignment of Foreign Service Reserve officers for the duration of operations under this Act;

(3) exchange of funds without regard to section 3651 of the Revised Statutes (31 U.S.C. 543), and loss by exchanges;

(4) expenses authorized by the Foreign Services Act of 1946. as amended (22 U.S.C. 801 et seq.), not otherwise provided for;

(5) expenses authorized by the Act of August 1, 1956 (70 Stat. 890–892), as amended; and

(6) all other expenses determined by the President to be necessary to carry out the purposes of this Act.

(b) Except as may be expressly provided to the contrary in this Act, all determinations, authorizations, regulations, orders, contracts, agreements and other actions issued, undertaken, or entered into under authority of any provision of law repealed by this Act, shall continue in full force and effect until modified, revoked, or superseded under the authority of this Act.

SEC. 6. Subsections (a), (c) and (d) of section 405 of the Mutual Security Act of 1954, as amended, subsection (c) of section 451 of the said Act, and the last sentence of section 2(a) of the Act of July 14, 1960 (74 Stat. 504), are hereby repealed.

SEC. 7. Until the enactment of legislation appropriating funds for activities under this Act, such activities may be conducted with funds made available under section 451(a) of the Foreign Assistance Act of 1961, as amended.

(22 U.S.C. 2601) Enacted June 28, 1962, P.L. 87–510. 76 Stat. 121.

Participation in UNESCO

JOINT RESOLUTION Providing for membership and participation by the United States in the United Nations Educational. Scientific, and Cultural Organization. and authorizing an appropriation therefor

Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President is hereby authorized to accept membership for the United States in the United Nations Educational, Scientific, and Cultural Organization (hereinafter referred to as the "Organization"), the constitution of which was approved in London on November 16, 1945, by the United Nations Conference for the establishment of an Education, Scientific and Cultural Organization, and deposited in the Archives of the Government of the United Kingdom.

Sec. 2. The President by and with the consent of the Senate shall designate from time to time to attend a specified session or specified sessions of the General Conference of the Organization not to exceed five representatives of the United States and such number of alternates not to exceed five as he may determine consistent with the rules of procedure of the General Conference: *Provided, however*, That each such representative and each such alternate must be an American citizen. One of the representatives shall be designated as the senior representative. Such representatives and alternatives shall each be entitled to receive compensation at such rates, provided for Foreign Service officers in the schedule contained in section 867 of this title, as the President may determine, for such periods as the President may specify, except that no Member of the Senate or House of Representatives or officer of the United States who is designated under this section as a representative of the United States or as an alternate to attend any specified session or specified sessions of the General Conference shall be entitled to receive such compensation. Whenever a representative of the United States is elected by the General Conference to serve on the Executive Board, or is elected President of the General Conference and thus becomes an ex officio adviser to the Executive Board, under provision of article V of the constitution of the Organization, the President may extend the above provisions for compensation to such representative during periods of service in connection with the Executive Board.

Sec. 3. In fulfillment of article VII of the constitution of the Organization, the Secretary of State shall cause to be organized a National Commission on Educational, Scientific, and Cultural Corporation[4] of not to exceed one hundred members. Such Commission shall be appointed by the Secretary of State and shall consists of (a) not more than sixty representatives of principal national, voluntary organizations interested in educational, scientific, and cultural matters; and (b) not more than forty outstanding persons selected by the Secretary of State, including not more than ten persons holding office under or employed by the Government of the United States, not more than fifteen representatives of the educational, scientific, and cultural interests of State and local governments, and not more than fifteen persons chosen at large. The Secretary of State is authorized to name in the first instance fifty of the principal national voluntary organizations, each of which shall be invited to designate one representative for appointment to the National Commission. Thereafter, the National Commission shall periodically review and, if deemed advisable, revise the list of such organizations designating representatives in order to achieve a desirable rotation among organizations represented.

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[4] So in original with U.S.C. Annotated stating "Probably should read 'Cooperation.'"

To constitute the initial Commission, one-third of the members shall be appointed to serve for a term of one year, one-third for a term of two years, and one-third of the remainder thereof for a term of three years; from thence on following, all members shall be appointed for a term of three years each, but no member shall serve more than two consecutive terms. The National Commission shall meet at least once annually. The National Commission shall designate from among its members an executive committee, and may designate such other committees as may prove necessary, to consult with the Department of State and to perform such other functions as the National Commission shall delegate to them. No member of the National Commission shall be allowed any salary or other compensation for services: *Provided, however*, That he may be paid transportation and other expenses as authorized by section 73b–2 of title 5. The Department of State is authorized to provide the necessary secretariat for the Commission.

SEC. 4. That each such member of the National Commission must be an American citizen.

SEC. 5. The National Commission shall call general conferences for the discussion of matters relating to the activities of the Organization, to which conferences organized bodies actively interested in such matters shall be invited to send representatives: *Provided, however*, That the travel and maintenance of such representation shall be without expense to the Government. Such general conferences shall be held annually or biennially, as the National Commission may determine, and in such places as it may designate. They shall be attended so far as possible by the members of the National Commission and by the delegates of the United States to the General Conference of the Organization. The National Commission is further authorized to call special conferences of experts for the consideration of specific matters relating to the Organization by persons of specialized competences. The Department of State may pay their transportation and other expenses as authorized by section 73b–2 of title 5, for the period of actual attendance and of necessary travel. The National Commission is further authorized to receive and accept services and gifts or bequests of money or materials to carry out any of the educational, scientific, or cultural purposes of the National Commission as set forth in this Act and in the constitution of the Organization. Any money so received shall be held by the Secretary of State and shall be subject to disbursement through the disbursement facilities of the Treasury Department as the terms of the gift or bequest may require and shall remain available for expenditure by grant or otherwise until expended: *Provided*, That no such gift or bequest may be accepted or disbursed if the terms thereof are inconsistent with the purposes of the National Commission as set forth in this Act and in the constitution of the Organization. In no event shall the National Commission accept gifts or bequests in excess of $200,000 in the aggregate in any one year. Gifts or bequests provided for herein shall, for the purpose of Federal income, estate, and gift taxes, be deemed to be a gift to or for the United States. The National Commission and Secretary of State shall submit to Congress annual reports of receipts and expenditures of funds and bequests received and disbursed pursuant to the provisions of this section.

SEC. 6. There is hereby authorized to be appropriated annually to the Department of State, out of any money in the Treasury not otherwise appropriated, such sums as may be necessary for the payment by the United States of its share of the expenses of the Organization as apportioned by the General Conference of the Organization in accordance with article IX of the constitution of the Organization, and such additional sums as may be necessary to pay the expenses of participation by the United States in the activities of the Organization, including: (a) salaries of the representatives provided for in section 2 hereof, of their appropriate staffs, and of members of the secretariat of the National Commission provided for in section 3 hereof, including personal services in the District of Columbia and elsewhere, without regard to the civil-service laws and the Classification Act of 1949, as amended; (b) travel expenses without regard to the Standardized Government Travel Regulations, as amended, the Subsistence Expense Act of 1926, as amended, and section 73b of Title 5, and, under such rules and regulations as the Secretary of State may prescribe, travel expenses of families and transportation of effects of United States representatives and other personnel in going to and returning from their post of duty; (c) allowances for living quarters, including heat, fuel, and light, as authorized by section 118a of title 5; (d) cost of living allowances under such rules and regulations as the Secretary of State may prescribe, including allowances to persons temporarily stationed abroad; (e) communication services; (f) stenographic reporting, translating, and other services, by contract, if deemed necessary without regard to section 3709 of the Revised Statutes (U.S.C., title 41, sec. 5); (g) local transportation; (h) equipment; (i) transportation of things; (j) rent of offices; (k) printing and binding without regard to section 11 of the Act of March 1, 1919 (U.S.C., title 44, sec. 111), and section 3709 of the Revised Statutes (U.S.C., title 41, sec. 5); (l) official entertainment; (m) stationery; (n) purchase of newspapers, periodicals, books, and documents; and (o) such other expenses as may be authorized by the Secretary of State.

SEC. 7. Unless Congress by law authorizes such action, neither the President nor any person or agency shall on behalf of the United States approve any amendment under article XIII of the constitution of the Organization involving any new obligation for the United States.

SEC. 8. In adopting this joint resolution, it is the understanding of the Congress that the constitution of the Organization does not require, nor does this resolution authorize, the disclosure of any information or acknowledge in any case in which such disclosure is prohibited by any law of the United States.

(22 U.S.C. 287m–287t) Enacted July 30, 1946, P.L. 565, 79th Cong., 60 Stat. 712; amended Oct. 10, 1949, P.L. 341, 81st Cong., 63 Stat. 734; amended July 31, 1956, P.L. 854, 84th Cong., 70 Stat. 736; amended June 30, 1958, P.L. 85–477, 72 Stat. 271; amended Aug. 14, 1961, P.L. 87–139, 75 Stat. 341.

PART IX—EDUCATION AND TRAINING OF ADULTS

Adult Education

ELEMENTARY AND SECONDARY EDUCATION AMENDMENTS OF 1966

(P.L. 89–750)

AN ACT To strengthen and improve programs of assistance for elementary and secondary schools and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Elementary and Secondary Education Amendments of 1966".

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TITLE III—ADULT EDUCATION

SHORT TITLE

Sec. 301. This title may be cited as the "Adult Education Act".

(20 U.S.C. 1201 note) Enacted Nov. 3, 1966, P.L. 89–750, Title III, sec. 301, 81 Stat. 1216; amended April 13, 1970, P.L. 91–230, Title III, sec. 30[illegible], 84 Stat. 159.

STATEMENT OF PURPOSE

Sec. 302. It is the purpose of this title to expand educational opportunity and encourage the establishment of programs of adult public education that will enable all adults to continue their education to at least the level of completion of secondary school and make available the means to secure training that will enable them to become more employable, productive, and responsible citizens.

(20 U.S.C. 1201) Enacted Nov. 3, 1966, P.L. 89–750, Title III, sec. 302, 80 Stat. 1216; amended April 13, 1970, P.L. 91–230, Title III, sec. 301, 84 Stat. 159.

DEFINITIONS

Sec. 303. As used in this title—

(a) The term "adult" means any individual who has attained the age of sixteen.

(b) The term "adult education" means services or instruction below the college level (as determined by the Commissioner), for adults who—

(1) do not have a certificate of graduation from a school providing secondary education and who have not achieved an equivalent level of education, and

(2) are not currently required to be enrolled in schools.

(c) The term "adult basic education" means adult education for adults whose inability to speak, read, or write the English language constitutes a substantial impairment of their ability to get or retain employment commensurate with their real ability, which is designed to help eliminate such inability and raise the level of education of such individuals with a view to making them less likely to become dependent on others, to improving their ability to benefit from occupational training and otherwise increasing their opportunities for more productive and profitable employment, and to making them better able to meet their adult responsibilities.

(d) The term "Commissioner" means the Commissioner of Education.

(e) The term "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools, except that, if there is a separate board or other legally constituted local authority having administrative control and direction of adult education in public schools therein, such term means such other board or authority.

(f) The term "State" includes the District of Columbia, and (except for the purposes of section 305(a)) the Commonwealth of Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands.

(g) The term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or if there is a separate State agency or officer primarily responsible for supervision of adult education in public schools then such agency or officer may be designated for the purpose of this title by the Governor or by State law. If no agency or officer qualifies under the preceding sentence, such term shall mean an appropriate agency or officer designated for the purposes of this title by the Governor.

(h) The term "academic education" means the theoretical, the liberal, the speculative, and classical subject matter found to compose the curriculum of the public secondary school.

(i) The term "institution of higher education" means any such institution as defined by section 801(e) of the Elementary and Secondary Education Act of 1965.

(20 U.S.C. 1202) Enacted Nov. 3, 1966, P.L. 89–750, Title III, sec. 303, 80 Stat. 1216; amended Oct. 16, 1968, P.L. 90–576, Title III, sec. 302, 82 Stat., 1095; amended April 13, 1970, P.L. 91–230, Title III, sec. 301, 84 Stat. 159.

GRANTS TO STATES FOR ADULT EDUCATION

SEC. 304. (a) From the sums appropriated pursuant to section 312, not less than 10 per centum nor more than 20 per centum shall be reserved for the purposes of section 309.

(b) From the remainder of such sums, the Commissioner is authorized to make grants to States, which have State plans approved by him under section 306 for the purposes of this section, to pay the

Federal share of the cost of (1) the establishment or expansion of adult basic education programs to be carried out by local educational agencies and private nonprofit agencies, and (2) the establishment or expansion of adult education programs to be carried out by local educational agencies and private nonprofit agencies.

(20 U.S.C. 1203) Enacted Nov. 3, 1966, P.L. 89–750, Title III, sec. 304, 80 Stat. 1217; amended Jan. 2, 1968, P.L. 90–247, Title V, sec. 502(a), 81 Stat. 815; amended April 13, 1970, P.L. 91–230, Title III, sec. 301, 84 Stat. 160.

ALLOTMENT FOR ADULT EDUCATION

SEC. 305. (a) From the sums available for purposes of section 304(b) for the fiscal year ending June 30, 1972, and for any succeeding fiscal year. The Commissioner shall allot (1) not more than 2 per centum thereof among Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands according to their respective needs for assistance under such section, and (2) $150,000 to each State. From the remainder of such sums he shall allot to each State an amount which bears the same ratio to such remainder as the number of adults who do not have a certificate of graduation from a school providing secondary education (or its equivalent) and who are not currently required to be enrolled in schools in such State bears to the number of such adults in all States. From the sums available for purposes of section 304(b) for the fiscal year ending June 30, 1970, and the succeeding fiscal year, the Commissioner shall make allotments in accordance with section 305(a) of the Adult Education Act of 1966 as in effect on June 30, 1969.

(b) The portion of any State's allotment under subsection (a) for a fiscal year which the Commissioner determines will not be required, for the period such allotment is available, for carrying out the State plan approved under this title shall be available for reallotment from time to time, on such dates during such period as the Commissioner shall fix, to other States in proportion to the original allotments to such States under subsection (a) for such year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum which the Commissioner estimates such State needs and will be able to use for such period for carrying out its State plan approved under this title, and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts are not so reduced. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for such year.

(20 U.S.C. 1204) Enacted Nov. 3, 1966, P.L. 89–750, Title III, sec. 305, 80 Stat. 1217; amended Jan. 2, 1968 P.L. 90–247, Title V, sec. 501, 81 Stat. 815; amended Apr. 13, 1970, P.L. 91–230, Title III, sec. 301, 84 Stat. 160; amended Dec. 30, 1970, P.L. 91–600, sec. 3(a), 84 Stat. 1669.

STATE PLANS

SEC. 306. (a) Any State desiring to receive its allotment of Federal funds for any grant under this title shall submit through its State educational agency a State plan. Such State plan shall be in such detail as the Commissioner deems necessary, and shall—

(1) set forth a program for the use of grants, in accordance with section 304(b), which affords assurance of substantial progress with respect to all segments of the adult population and all areas of the State, toward carrying out the purposes of such section;

(2) provide for the administration of such plan by the State educational agency;

(3) provide for cooperative arrangements between the State educational agency and the State health authority authorizing the use of such health information and services for adults as may be available from such agencies and as may reasonably be necessary to enable them to benefit from the instruction provided pursuant to this title;

(4) provide for grants to public and private nonprofit agencies for special projects, teacher-training, and research;

(5) provide for cooperation with Community Action programs, Work Experience programs, VISTA, Work Study, and other programs relating to the antipoverty effort;

(6) provide that such agency will make such reports to the Commissioner, in such form and containing such information, as may reasonably be necessary to enable the Commissioner to perform his duties under this title and will keep such records and afford such access thereto as the Commissioner finds necessary to assure the correctness and verification of such reports;

(7) provide such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid the State under this title (including such funds paid by the State to local educational agencies and private nonprofit agencies);

(8) provide that special emphasis be given to adult basic education programs except where such needs can be shown to have been met in the State; and

(9) provide such further information and assurances as the Commissioner may by regulation require.

(b) The Commissioner shall not finally disapprove any State plan submitted under this title, or any modification thereof, without first affording the State educational agency reasonable notice and opportunity for a hearing.

(20 U.S.C. 1205) Enacted Nov. 3, 1966, P.L. 89–750, Title III, sec. 306 80 Stat. 1218; amended Jan. 2, 1968, P.L. 90–247, Title V, sec. 502(b), 81 Stat. 815; amended April 13, 1970, P.L. 91–230, Title III, sec. 301, 84 Stat. 161.

PAYMENTS

Sec. 307. (a) Except as provided in subsection (b), the Federal share of expenditures to carry out a State plan shall be paid from a State's allotment available for grants to such State. The Federal share for each State shall be 90 per centum, except that with respect to the Trust Territory of the Pacific Islands such Federal share shall be 100 per centum.

(b) No payment shall be made to any State from its allotment for any fiscal year unless the Commissioner finds that the amount available for expenditure by such State for adult education from non-

Federal sources for such year will be not less than the amount expended for such purposes from such sources during the preceding fiscal year, but no State shall be required to use its funds to supplant any portion of the Federal share.

(20 U.S.C. 1206) Enacted Nov. 3, 1966, P.L. 89–750, Title III, sec. 307, 80 Stat. 1219; amended Jan. 2, 1968, P.L. 90–247, Title III, sec. 503, 81 Stat. 815; amended April 13, 1970, P.L. 91–230, Title III, sec. 301, 84 Stat. 162.

OPERATION OF STATE PLANS; HEARINGS AND JUDICIAL REVIEW

SEC. 308. (a) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the State educational agency administering a State plan approved under this title, finds that—

(1) the State plan has been so changed that it no longer complies with the provisions of section 306, or

(2) in the administration of the plan there is a failure to comply substantially with any such provision,

the Commissioner shall notify such State agency that no further payments will be made to the State under this title (or, in his discretion, that further payments to the State will be limited to programs under or portions of the State plan not affected by such failure), until he is satisfied that there will no longer be any failure to comply. Until he is so satisfied, no further payments may be made to such State under this title (or payments shall be limited to programs under or portions of the State plan not affected by such failure).

(b) A State educational agency dissatisfied with a final action of the Commissioner under section 306 or subsection (a) of this section may appeal to the United States court of appeals for the circuit in which the State is located, by filing a petition with such court within sixty days after such final action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner or any officer designated by him for that purpose. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code. Upon the filing of such petition, the court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part, temporarily or permanently, but until the filing of the record, the Commissioner may modify or set aside his order. The findings of the Commissioner as to the facts, if supported by substantial evidence, shall be conclusive, but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall file in the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence. The judgment of the court affirming or setting aside, in whole or part, any action of the Commissioner shall be final, subject to the review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code. The commencement of proceedings under this subsection shall not, unless so specifically ordered by the court, operate as a stay of the Commissioner's action.

(20 U.S.C. 1207) Enacted Nov. 3, 1966, P.L. 89–750, Title III, sec. 308, 80 Stat. 1219; amended April 13, 1970, P.L. 91–230, Title III, sec. 301, 84 Stat. 162.

SPECIAL EXPERIMENTAL DEMONSTRATION PROJECTS AND TEACHER TRAINING

SEC. 309. (a) The sums reserved in section 304(a) for the purposes of this section shall be used for making special project grants or providing teacher-training grants in accordance with this section.

(b) The Commissioner is authorized to make grants to local educational agencies or other public or private nonprofit agencies, including educational television stations, for special projects which will be carried out in furtherance of the purposes of this title, and which—

(1) involve the use of innovative methods, systems, materials, or programs which the Commissioner determines may have national significance or be of special value in promoting effective programs under this title, or

(2) involve programs of adult education, carried out in cooperation with other Federal, federally assisted, State, or local programs which the Commissioner determines have unusual promise in promoting a comprehensive or coordinated approach to the problems of persons with educational deficiencies.

The Commissioner shall establish procedures for making grants under this subsection which shall require a non-Federal contribution of at least 10 per centum of the costs of such projects wherever feasible and not inconsistent with the purposes of this subsection.

(c) The Commissioner is authorized to make provision for training persons engaged, or preparing to engage, as personnel in adult education programs designed to carry out the purposes of this title, including the payment of such stipends and allowances (including traveling and subsistence expenses, if any, for such persons and their dependents) as the Commissioner may determine by regulation. The Commissioner may provide such training directly or by contract or he may provide for such training by making grants to institutions of higher education, State or local educational agencies, or other appropriate public or private agencies or organizations.

(20 U.S.C. 1208) Enacted Nov. 3, 1966, P.L. 89–750, Title III, sec. 309, 80 Stat. 1220; amended April 13, 1970, P.L. 91–230, Title III, sec. 301, 84 Stat. 163.

NATIONAL ADVISORY COUNCIL ON ADULT EDUCATION

SEC. 310. (a) The President shall appoint a National Advisory Council on Adult Education (hereinafter in this section referred to as the "Council").

(b) The Council shall consist of fifteen members who shall, to the extent possible, include persons knowledgeable in the field of adult education, State and local public school officials, and other persons having special knowledge and experience, or qualifications with respect to adult education, and persons representative of the general public. The Council shall meet initially at the call of the Commissioner and elect from its number a chairman. The Council will thereafter meet at the call of the chairman, but not less often than twice a year.

(c) The Council shall advise the Commissioner in the preparation of general regulations and with respect to policy matters arising in the administration of this title, including policies and procedures governing the approval of State plans under section 306 and policies to eliminate duplication, and to effectuate the coordination of programs under this title and other programs offering adult education activities and services.

(d) The Council shall review the administration and effectiveness of programs under this title, make recommendations with respect thereto, and make annual reports to the President of its findings and recommendations (including recommendations for changes in this title and other Federal laws relating to adult education activities and services). The President shall transmit each such report to the Congress together with his comments and recommendations. The Secretary of Health, Education, and Welfare shall coordinate the work of the Council with that of other related advisory councils.

(20 U.S.C. 1209) Enacted Nov. 3, 1966, P.L. 89–750, Title III, sec. 310, 80 Stat. 1220; amended April 13, 1970, P.L. 91–230, sec. 301, 84 Stat. 163.

LIMITATION

Sec. 311. No grant may be made under this title for any educational program, activity, or service related to sectarian instruction or religious worship, or provided by a school or department of divinity. For purposes of this section, the term "school or department of divinity" means an institution or a department or branch of an institution whose program is specifically for the education of students to prepare them to become ministers of religion or to enter upon some other religious vocation, or to prepare them to teach theological subjects.

(20 U.S.C. 1210) Enacted Nov. 3, 1966, P.L. 89–750, Title III, sec. 311, formerly sec. 313, 80 Stat. 1222; redesignated April 13, 1970, P.L. 91–230, Title III, sec. 301, 84 Stat. 164.

APPROPRIATIONS AUTHORIZED

Sec. 312. (a) There are authorized to be appropriated $160,000,000 for the fiscal year ending June 30, 1970, $200,000,000 for the fiscal year ending June 30, 1971, and $225,000,000 for each of the fiscal years ending June 30, 1972, and June 30, 1973, for the purposes of this title.

(b) There are further authorized to be appropriated for each such fiscal year such sums, not to exceed 5 per centum of the amount appropriated pursuant to subsection (a) for such year, as may be necessary to pay the cost of the administration and development of State plans, and other activities required pursuant to this title. For the fiscal year ending June 30, 1970, and the succeeding fiscal year, nothing in this subsection shall be construed to prohibit the use of any amounts appropriated pursuant to this Act to pay such costs, subject to such limitations as the Commissioner may prescribe.

(20 U.S.C. 1211) Enacted Nov. 3, 1966, P.L. 89–750, Title III, sec. 312, formerly sec. 314, 80 Stat. 1222; amended Jan. 2, 1968, P.L. 90–247, Title V, sec. 504, 81 Stat. 815; redesignated and amended April 13, 1970, P.L. 91–230, Title III, sec. 301, 84 Stat. 164; amended Dec. 30, 1970, P.L. 91–600, sec. 3(b), 84 Stat. 1669.

Legislative History

(P.L. 89–750)

House Reports: No. 1814, 1814 pt. II (Committee on Education and Labor) and No. 2309 (committee of conference).

Senate Report No. 1674 accompanying S. 3046 (Committee on Labor and Public Welfare).

Congressional Record, volume 112 (1969):
October 5: Considered in House.
October 6: Considered and passed House.
October 5, 6: S. 3046 considered and passed Senate.
October 7: Considered and passed Senate, amended, in lieu of S. 3046.
October 19: Senate agreed to conference report.
October 20: House agreed to conference report.
Approved: November 3, 1966.

(P.L. 90-247)

House Reports: No. 188 (Committee on Education and Labor) and No. 1049 (committee of conference).

Senate Report No. 726 (Committee on Labor and Public Welfare).

Congressional Record, Volume 113 (1967):
May 22-24: Considered and passed House.
December 1, 4-8, 11: Considered and passed Senate amended.
December 15: House and Senate agreed to conference report.
Approved January 2, 1968.

(P.L. 91-230)

House Reports: No. 91-114 (Committee on Education and Labor) and No. 91-937 (committee of conference).

Senate Report No. 91-634 (Committee on Labor and Public Welfare).

Congressional Record:
Volume 115 (1969): Apr. 23, considered and passed House.
Volume 116 (1970):
Feb. 4-6, 9, 10, 16-18, considered in Senate.
Feb. 19, considered and passed Senate, amended.
Mar. 24, 25, Senate considered conference report.
Apr. 1, Senate agreed to conference report.
Apr. 7, House agreed to conference report.
Approved: April 13, 1970.

(P.L. 91-600)

House Report No. 91-1659 accompanying H.R. 19363 (Committee on Education and Labor).

Senate Report No. 91-1162 (Committee on Labor and Public Welfare).

Congressional Record, vol. 116 (1970):
Sept. 18, 21 considered and passed Senate.
Dec. 7, considered and passed House amended.
Dec. 15, Senate concurred in House amendment.

ELEMENTARY AND SECONDARY EDUCATION AMENDMENTS OF 1969

(P.L. 91-230)

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TITLE III—AMENDMENTS TO THE ADULT EDUCATION ACT OF 1966

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APPOINTMENT OF MEMBERS OF NATIONAL ADVISORY COUNCIL ON ADULT EDUCATION

SEC. 302. Members of the National Advisory Council on Adult Education shall be appointed within ninety days after the date of enactment of this Act.

Enacted April 13, 1970, P.L. 91-230, sec. 302, 84 Stat. 164.

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Manpower Development and Training

Manpower Development and Training Act of 1962

(76 Stat. 23 et seq., 42 U.S.C. 2571 et seq., P.L. 87-415)

AN ACT Relating to manpower requirements, resources, development and utilization, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Manpower Development and Training Act of 1962."

TITLE I—MANPOWER REQUIREMENTS, DEVELOPMENT, AND UTILIZATION

STATEMENT OF FINDINGS AND PURPOSE

Sec. 101. The Congress finds that there is critical need for more and better trained personnel in many vital occupational categories, including professional, scientific, technical and apprenticeable categories; that even in periods of high unemployment, many employment opportunities remain unfilled because of the shortages of qualified personnel; and that it is in the national interest that current and prospective manpower shortages be identified and that persons who can be qualified for these positions through education and training be sought out and trained as quickly as is reasonably possible, in order that the Nation may meet the staffing requirements of the struggle for freedom. The Congress further finds that the skills of many persons have been rendered obsolete by dislocations in the economy arising from automation or other technological developments, foreign competition, relocation of industry, shifts in market demands, and other changes in the structure of the economy; that Government leadership is necessary to insure that the benefits of automation do not become burdens of widespread unemployment; that the problem of assuring sufficient employment opportunities will be compounded by the extraordinarily rapid growth of the labor force in the next decade, particularly by the entrance of young people into the labor force, that improved planning and expanded efforts will be required to assure that men, women, and young people will be trained and available to meet shifting employment needs; that many persons now unemployed or underemployed, in order to become qualified for reemployment or full employment must be assisted in providing themselves with skills which are or will be in demand in the labor market; that the skills of many persons now employed are inadequate to enable them to make their maximum contribution to the Nation's economy; and that it is in the national interest that the opportunity to acquire new skills be afforded to these people with the least delay in order to alleviate the hardships of unemployment, reduce the costs of unemployment compensation and public assistance, and to increase the Nation's productivity and its capacity to meet the requirements of the space age. The Congress further finds that many professional employees who have become unemployed because of the specialized nature of their previous employment are in need of brief refresher or reorientation educational courses in order to become qualified for other employment in their professions, where such training would further the purposes of this Act. It is therefore the purpose of this Act to require the Federal Government to appraise the manpower requirements and resources of the Nation, and to develop and apply the information and methods needed to deal with the problems of unemployment resulting from automation and technological changes and other types of persistent unemployment.

(42 U.S.C. 2571) Enacted Mar. 15, 1962, P.L. 87–415, title I, sec. 101, 76 Stat. 23; amended Dec. 19, 1963 by P.L. 88–214, sec. 1, 77 Stat. 422; amended Apr. 26, 1965, P.L. 89–15, sec. 2, 79 Stat. 75.

EVALUATION, INFORMATION, AND RESEARCH

SEC. 102. To assist the Nation in accomplishing the objectives of technological progress while avoiding or minimizing individual hardship and widespread unemployment, the Secretary of Labor shall—

(1) evaluate the impact of, and benefits and problems created by automation, technological progress, and other changes in the structure of production and demand on the use of the Nation's human resources; establish techniques and methods for detecting in advance the potential impact of such developments; develop solutions to these problems, and publish findings pertaining thereto;

(2) establish a program of factual studies of practices of employers and unions which tend to impede the mobility of workers or which facilitate mobility, including but not limited to early retirement and vesting provisions and practices under private compensation plans; the extension of health, welfare, and insurance benefits to laid-off workers; the operation of severance pay plans; and the use of extended leave plans for education and training purposes. A report on these studies shall be included as a part of the Secretary's report required under section 107;

(3) appraise the adequacy of the Nation's manpower development efforts to meet foreseeable manpower needs and recommend needed adjustment, including methods for promoting the most effective occupational utilization of and providing useful work experience and training opportunities for untrained and inexperienced youth;

(4) promote, encourage, or directly engage in programs of information and communication concerning manpower requirements, development, and utilization, including prevention and amelioration of undesirable manpower effects from automation and other technological developments and improvement of the mobility of workers;

(5) arrange, through grants or contracts, for the conduct of such research and investigations as give promise of furthering the objectives of this Act; and

(6) establish a program of experimental, developmental, demonstration, and pilot projects, through grants to or contracts with public or private nonprofit organizations, or through contracts with other private organizations, for the purpose of improving techniques and demonstrating the effectiveness of specialized methods in meeting the manpower, employment, and training

problems of worker groups such as the long-term unemployed, disadvantaged youth, displaced older workers, the handicapped, members of minority groups, and other similar groups. In carrying out this subsection the Secretary of Labor shall, where appropriate, consult with the Secretaries of Health, Education, and Welfare, and Commerce, and the Director of the Office of Economic Opportunity. Where programs under this paragraph require institutional training, appropriate arrangements for such training shall be agreed to by the Secretary of Labor and the Secretary of Health, Education, and Welfare. He shall also seek the advice of consultants with respect to the standards governing the adequacy and design of proposals, the ability of applicants, and the priority of projects in meeting the objectives of this Act.

(42 U.S.C. 2572) Enacted Mar. 15, 1962, P.L. 87–415, title I, sec. 102, 76 Stat. 24; amended Apr. 26, 1965 by P.L. 89–15, sec. 3, 4(b), 79 Stat. 75.

JOB DEVELOPMENT PROGRAMS

SEC. 103. The Secretary of Labor shall stimulate and assist, in cooperation with interested agencies both public and private, job development programs, through on-the-job training and other suitable methods, that will serve to expand employment by the filling of those service and related needs which are not now being met because of lack of trained workers or other reasons affecting employment or opportunities for employment.

(42 U.S.C. 2572a) Enacted Apr. 26, 1965, P.L. 89–15, sec. 4(a), 79 Stat. 75.

LABOR MOBILITY DEMONSTRATION PROJECTS

SEC. 104. (a) During the period ending June 30, 1970, the Secretary of Labor shall develop and carry out, in a limited number of geographical areas, pilot projects designed to assess or demonstrate the effectiveness in reducing unemployment of programs to increase the mobility of unemployed workers by providing assistance to meet their relocation expenses. In carrying out such projects the Secretary may provide such assistance, in the form of grants or loans, or both, only to involuntarily unemployed individuals who cannot reasonably be expected to secure full-time employment in the community in which they reside, have bona fide offers of employment (other than temporary or seasonal employment), and are deemed qualified to perform the work for which they are being employed.

(b) Loans or grants provided under this section shall be subject to such terms and conditions as the Secretary shall prescribe, with loans subject to the following limitations:

(1) there is reasonable assurance of repayment of the loan;

(2) the credit is not otherwise available on reasonable terms from private sources or other Federal, State, or local programs;

(3) the amount of the loan, together with other funds available, is adequate to assure achievement of the purposes for which the loan is made;

(4) the loan bears interest at a rate of not less than (A) a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obli-

gations of comparable maturity, plus (B) such additional charge, if any, toward covering other costs of the program as the Secretary may determine to be consistent with its purposes; and

(5) the loan is repayable within not more than ten years.

(c) Of the funds appropriated for a fiscal year to carry out this Act, not more than $5,000,000 may be used for the purposes of this section.

(42 U.S.C. 2572b) Enacted Apr. 26, 1965, P.L. 89–15, sec. 4(a), 79 Stat. 76; amended Nov. 7, 1966, P.L. 89–792, sec. 2(a), 80 Stat. 1434; amended Oct. 24, 1968, P.L. 90–636, sec. 1(1), 82 Stat. 1352.

TRAINEE PLACEMENT ASSISTANCE DEMONSTRATION PROJECTS

Sec. 105. During the period ending June 30, 1970, the Secretary of Labor shall develop and carry out experimental and demonstration projects to assist in the placement of persons seeking employment through a public employment office who have successfully completed or participated in a federally assisted or financed training, counseling, work training, or work experience program and who, after appropriate counseling, have been found by the Secretary to be qualified and suitable for the employment in question, but to whom employment is or may be denied for reasons other than ability to perform, including difficulty in securing bonds for indemnifying their employers against loss from the infidelity, dishonesty, or default of such persons. In carrying out these projects the Secretary may make payments to or contracts with employers or institutions authorized to indemnify employers against such losses. Of the funds appropriated for a fiscal year to carry out this Act not more than $300,000, may be used for the purposes of this section.

(42 U.S.C. 2572c) Enacted Apr. 26, 1965, P.L. 89–15, sec. 4(a), 79 Stat. 76; amended Nov. 7, 1966, P.L. 89–792, sec. 2(b), 80 Stat. 1434; amended Oct. 24, 1965, P.L. 90–636, sec. 1(2), 82 Stat. 1352.

LABOR MARKET INFORMATION AND JOB MATCHING PROGRAM

Sec. 106. (a) The Secretary of Labor shall develop a comprehensive system of labor market information on a National, State, local, or other appropriate basis, including but not limited to information regarding—

(1) the nature and extent of impediments to the maximum development of individual employment potential including the number and characteristics of all persons requiring manpower services;

(2) job opportunities and skill requirements;

(3) labor supply in various skills;

(4) occupational outlook and employment trends in various occupations; and

(5) in cooperation and after consultation with the Secretary of Commerce, economic and business development and location trends.

Information collected under this subsection shall be developed and made available in a timely fashion in order to meet in a comprehensive manner the needs of public and private users, including the need for such information in recruitment, counseling, education, training, placement, job development, and other appropriate activities under this Act and under the Economic Opportunity Act of 1964, the Social Security Act, the Public Works and Economic Development Act of 1965, the Wagner-Peyser Act, the Vocational Education Act of 1963, the Vocational Rehabilitation Act, the Demonstration Cities and Metropolitan Development Act of 1966, and other relevant Federal statutes.

(b) The Secretary of Labor shall develop and publish on a regular basis information on available job opportunities throughout the United States on a National, State, local, or other appropriate basis for use in public and private job placement and related activities and in connection with job matching programs conducted pursuant to this subsection. The Secretary is directed to develop and establish a program for matching the qualifications of unemployed, underemployed, and low-income persons with employer requirements and job opportunities on a National, State, local, or other appropriate basis. Such programs shall be designed to provide a quick and direct means of communication among local recruitment, job training and placement agencies and organizations, and between such agencies and organizations on a National, State, local, or other appropriate basis, with a view to the referral and placement of such persons in jobs. In the development of such a program, the Secretary shall make maximum possible use of electronic data processing and telecommunications systems for the storage, retrieval, and communication of job and worker information.

(c) A report on the activities and achievements under this section shall be included in the report required under section 107.

(d) Not less than 2 per centum of the sums appropriated in any fiscal year to carry out titles I, II, and III of this Act shall be available only for carrying out the provisions of subsection (b) of this section.

(42 U.S.C. 2573) Enacted Mar. 15, 1962, P.L. 87-415, sec. 103, 76 Stat. 25; redesignated Apr. 26, 1965 as sec. 106 by P.L. 89-15, sec. 4(a), 79 Stat. 75; amended Oct. 24, 1968, P.L. 90-636, sec. 2, 82 Stat. 1352, 1353.

MANPOWER REPORT

Sec. 107. The Secretary of Labor shall make such reports and recommendations to the President as he deems appropriate pertaining to manpower requirements, resources, use, and training; and the President shall transmit to the Congress within sixty days after the beginning of each regular session (commencing with the year 1963) a report pertaining to manpower requirements, resources, utilization, and training.

(42 U.S.C. 2574) Enacted Mar. 15, 1962, P.L. 87-415, sec. 104, 76 Stat. 25; redesignated Apr. 26, 1965, as sec. 107 by P.L. 89-15, sec. 4(a), 79 Stat. 75.

TITLE II—TRAINING AND SKILL DEVELOPMENT PROGRAMS

Part A—Duties of the Secretary of Labor

GENERAL RESPONSIBILITY

Sec. 201. In carrying out the purposes of this Act, the Secretary of Labor shall determine the skill requirements of the economy, develop policies for the adequate occupational development and maximum utilization of the skills of the Nation's workers, promote and encourage the development of broad and diversified training programs, including on-the-job training, designed to qualify for employment the many persons who cannot reasonably be expected to secure full-time employment without such training, and to equip the Nation's workers with the new and improved skills that are or will be required. Whenever appropriate, the Secretary of Labor shall coordinate and provide for combinations of programs, to be pursued concurrently or sequentially, under this Act with programs under other Federal Acts, where the purposes of this Act would be accomplished thereby.

(42 U.S.C. 2581) Enacted Mar. 15, 1962, P.L. 87–415, sec. 201, 76 Stat. 25; amended Nov. 8, 1966, P.L. 89–794, sec. 1001(a), 80 Stat. 1475.

SELECTION OF TRAINEES

SEC. 202. (a) The Secretary of Labor shall provide a program for testing, counseling, and selecting for occupational training under this Act those unemployed or underemployed persons who cannot reasonably be expected to secure appropriate full-time employment without training. Workers in farm families with less than $1,200 annual net family income shall be considered unemployed for the purpose of this Act.

(b) Whenever appropriate the Secretary shall provide a special program for the testing, counseling, selection, and referral of youths, sixteen years of age or older, for occupational training and further schooling, who because of inadequate educational background and work preparation are unable to qualify for and obtain employment without such training and schooling.

(c) The Secretary of Labor shall provide, where appropriate, a special program of testing, counseling, selection, and referral of persons forty-five years of age or older for occupational training and further schooling designed to meet the special problems faced by such persons in the labor market.

(d) Although priority in referral for training shall be extended to unemployed persons, the Secretary of Labor shall, to the maximum extent possible, also refer other persons qualified for training programs which will enable them to acquire needed skills. Priority in referral for training shall also be extended to persons to be trained for skills needed within, first, the labor market area in which they reside and, second, within the State of their residence.

(e) The Secretary of Labor shall determine the occupational training needs of referred persons, provide for their orderly selection and referral for training under this Act, and provide counseling and placement services to persons who have completed their training, as well as follow-up studies to determine whether the programs provided meet the occupational training needs of the persons referred.

(f) Before selecting a person for training (other than for training under subsection (j)) the Secretary shall determine that there is a reasonable expectation of employment in the occupation for which the person is to be trained. If such employment is not available in the area in which the person resides, the Secretary shall obtain reasonable assurance of such person's willingness to accept employment outside his area of residence.

(g) The Secretary shall not refer persons for training in an occupation which requires less than two weeks training, unless there are immediate employment opportunities in such occupation.

(h) The duration of any training program to which a person is referred shall be reasonable and consistent with the occupation for which the person is being trained.

(i) Upon certification by the responsible training agency that a person who has been referred for training does not have a satisfactory attendance record or is not making satisfactory progress in such training absent good cause, the Secretary shall forthwith terminate his training and subsistence allowances, and his transportation allowances except such as may be necessary to enable him to return to his regular place of residence after termination of training, and withdraw his referral. Such person shall not be eligible for such allowances for one year thereafter.

(j) Whenever appropriate, the Secretary of Labor may also refer, for the attainment of basic education and communications and employment skills, those eligible persons who indicate their intention to and will thereby be able to pursue, subsequently or concurrently, courses of occupational training of a type for which there appears to be a reasonable expectation of employment, or who have completed or do not need occupational training but do require such other preparation to render them employable. Such referrals shall be considered a referral for training within the meaning of this Act.

(k) The Secretary of Labor may enter into an agreement with the Secretary of Health, Education, and Welfare for the purpose of furthering the objectives of this Act by facilitating the provision of appropriate physical examinations, medical treatment, and prostheses for persons selected or otherwise eligible to be selected for training under this Act. The agreement may provide that where any such person cannot reasonably be expected to pay the cost of the services and the services are not otherwise available without cost to him from any other resource in the community, there may be expended (from sums appropriated to carry out this title and pursuant to arrangements made by the Secretary of Health, Education, and Welfare) not more than an aggregate of $100 to provide such services to that person. If the Secretary of Health, Education, and Welfare is unable to arrange for the provision of services under this section, the Secretary of Labor may expend not more than an aggregate of $100 to provide such services to any one person.

(l) In order to assist in providing qualified workers in areas or in occupations in which there are critical skill shortages the Secretary of Labor shall, in accordance with regulations prescribed by him, provide an experimental program for part-time training of persons, including employed persons, to meet such skill shortages.

(42 U.S.C. 2582) Enacted Mar. 15, 1962, P.L. 87–415, sec. 202, 76 Stat. 25; amended Dec. 19, 1963, P.L. 88–214, sec. 2, 77 Stat. 422; amended Apr. 26, 1965, P.L. 89–15, sec. 5, 79 Stat. 77; amended Nov. 7, 1966, P.L. 89–792, sec. 3, 80 Stat. 1434; amended Oct. 24, 1968, P.L. 90–636, sec. 3(a), 82 Stat. 1353.

TRAINING ALLOWANCE

SEC. 203. (a) The Secretary of Labor may, on behalf of the United States, enter into agreements with States under which the Secretary of Labor shall make payments to such States either in advance or by way of reimbursement for the purpose of enabling such States, as agents for the United States, to make payment of weekly training allowances to unemployed persons selected for training pursuant to the provisions of section 202 and undergoing such training in a program operated pursuant to the provisions of this Act. Such payments shall be made for a period not exceeding one hundred and four weeks, and the basic amount of any such payment in any week for persons undergoing training, including uncompensated employer-provided training, shall not exceed $10 more than the amount of the average weekly gross unemployment compensation payment (including allowances for dependents) for a week of total unemployment in the State making such payments during the most recent four-calendar-quarter period for which such data are available: *Provided*, That the basic amount of such payments may be increased by $5 a week for each dependent over two up to a maximum of four additional dependents: *Provided further*, That in any week an individual who, but for his training, would be entitled to unemployment compensation in excess of his total allowance, including payments for dependents, shall receive an allowance increased by the amount of such taxes. With respect to Guam, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands, the Secretary shall be regulation determine the amount of the training allowance to be paid any eligible person taking training under this Act.

With respect to any week, for which a person receives unemployment compensation under title XV of the Social Security Act or any other Federal or State unemployment compensation law which is less than the total training allowance, including payments for dependents, provided for by the preceding paragraph, a supplemental training allowance may be paid to a person eligible for a training allowance under this Act. The supplemental training allowance shall not exceed the difference between his unemployment compensation and the training allowance provided by the preceding paragraph.

For persons undergoing on-the-job training, the amount of any payment which would otherwise be made by the Secretary of Labor under this section shall be reduced by an amount which bears the same ratio to that payment as the number of compensated hours per week under the training program bears to forty hours.

The training allowance of a person engaged in training under section 204 or 231 shall not be reduced on account of employment (other than employment under an on-the-job training program under section 204) which does not exceed twenty hours per week, but shall be reduced in an amount equal to his full earnings for hours worked (other than in employment under such an on-the-job training program) in excess of twenty hours per week.

(b) The Secretary of Labor is authorized to pay to any person engaged in training under this title, including compensated full-time on-the-job training, such sums as he may determine to be necessary to defray transportation expenses and when such training is provided in facilities which are not within commuting distance of the trainee's regular place of residence, subsistence expenses for separate maintenance of the trainee: *Provided*, That the Secretary in defraying such subsistence expenses shall not afford any individual an allowance exceeding $35 per week, at the rate of $5 per day; nor shall the Secretary authorize any transportation expenditure exceeding the rate of 10 cents per mile, except in the case of local transportation where he may authorize reimbursement for the trainee's travel by the most economical mode of public transportation, and except that in noncontiguous States and in areas outside the continental United States where the per diem allowance prescribed under section 836 of title 5, United States Code, exceeds the maximum per diem allowance prescribed under that section for contiguous States, the Secretary may provide for a reasonable increase in the transportation and subsistence expenses in such amounts as he may deem necessary to carry out the purposes of this Act, and subject to such limitations as he may prescribe.

(c) The Secretary of Labor shall pay training allowances only to unemployed persons who have had at least one year of experience in gainful employment: *Provided*, That he shall not pay training allowances to members of a family or a household in which the head of the family or the head of the household as defined in the Internal Revenue Code of 1954 is employed, unless the Secretary determines that such payments are necessary in order for the trainees to undertake or to continue training: *Provided further*, That no allowance shall be paid to any member of a family or household if the Secretary of Labor determines that the head of such family or household has terminated his employment for the purpose of qualifying such member for training allowances under this section. Notwithstanding the preceding sentence, the Secretary may pay training allowances at a rate which shall not exceed the average weekly gross unemployment compensation payment (including allowances for dependents) for a week of total unemployment in the State making such payments during the most recent four-calendar-quarter period for which such data are available to youths seventeen years of age or older who require such training allowance in order to undertake training, who are referred for training in accordance with section 202(b), and who are not entitled to allowances under the preceding sentence, except that no such training allowance shall be paid to any such youth who has not graduated from high school, unless the Secretary has satisfied himself that such youth has continuously failed to attend school for a period of not less than one year or that the local authorities after pursuing all appropriate procedures, including guidance and counseling, have concluded, after considering any assistance available under section 13 of the Vocational Education Act of 1963, that further school attendance by such youth in any regular academic or vocational program is no longer practicable under the circumstances. The number of youths under the age of twenty-two who are receiving training allowances (or who would be entitled thereto but for the receipt of unemployment compensation) shall, except for such adjustments as may be necessary for effective management of programs under this section, not exceed 25 per centum of all persons receiving such allowances (or who would be entitled thereto but for the receipt of unemployment compensation). The Secretary of Labor may authorize continued payments of allowances to any youth who becomes twenty-two years of age during the course of his training, if he has completed a substantial part of such training. Notwithstanding any provision to the contrary in this subsection or in subsection (h), the Secretary may refer any individual who has completed a program under part B of title I of the Economic Opportunity Act of 1964 to training under this Act, and such individual may be paid a training allowance as provided in section 203(a) of this Act without regard to the requirements imposed on such payments by the preceding sentences of subsection (c) or by subsection (h) of this section. Such payments shall not exceed the average weekly gross unemployment compensation payment (including allowances for dependents) for a week of total unemployment in the State making such payments during the most recent four-calendar-quarter period for which such data are available. Such persons shall not be deemed youths for the purpose of applying the provision under this subsection limiting the number of youths who may receive training allowances.

(d) No training allowance shall be made to any person otherwise eligible who, with respect to the week for which such payment would be made, has received or is seeking unemployment compensation under title XV of the Social Security Act or any other Federal or State unemployment compensation law, but if the appropriate State or Federal agency finally determines that a person denied training allowances for any week because of this subsection was not entitled to unemployment compensation under title XV of the Social Security Act or such Federal or State law with respect to such week, this subsection shall not apply with respect to such week.

(e) A person who refuses, without good cause, to accept training under this Act shall not, for one year thereafter, be entitled to training allowances.

(f) Any agreement under this section may contain such provisions (including, as far as may be appropriate, provisions authorized or made applicable with respect to agreements concluded by the Secretary of Labor pursuant to title XV of the Social Security Act) as will promote effective administration, protect the United States against loss and insure the proper application of payments made to the State under such agreement. Except as may be provided in such agreements, or in regulations hereinafter authorized, determinations by any duly designated officer or agency as to the eligibility of persons for weekly training allowances under this section shall be final and conclusive for any purposes and not subject to review by any court or any other officer.

(g)(1) If State unemployment compensation payments are paid to a person taking training under this Act and eligible for a training allowance, the State making such payments shall be reimbursed from funds herein appropriated. The amount of such reimbursement shall be determined by the Secretary of Labor on the basis of reports furnished to him by the States and such amounts shall then be placed in the State's unemployment trust fund account.

(2) If unemployment benefits under the Railroad Unemployment Insurance Act are paid to a person taking training under this Act and eligible for a training allowance, the railroad unemployment insurance account in the unemployment trust fund shall be reimbursed, from funds herein appropriated, for all of such benefits paid. The amount of such reimbursement shall be determined by the Secretary of Labor on the basis of reports furnished to him by the Railroad Retirement Board and such amount shall then be placed in the railroad unemployment insurance account.

(h) A person who, in connection with an occupational training program, has received a training allowance or whose unemployment compensation payments were reimbursed under the provisions of this Act or any other Federal Act shall not be entitled to training allowances under this Act for one year after the completion or other termination (for other than good cause) of the training with respect to which such allowance or payment was made unless the Secretary determines that there is good cause to permit an individual referred to further training to receive training allowances so that he may be prepared adequately for full-time employment.

(i) No training allowance shall be paid to any person who is receiving training for an occupation which requires a training period of less than six days.

(j) To assure the maximum use of training opportunities, the Secretary of Labor is authorized to make, or cause to be made, advance payments of training allowances or a part thereof to individuals selected for training who, because of immediate financial needs for the maintenance of themselves or their dependents pending receipt of training allowances, would otherwise be unable to enter or continue training. The total advance payments to a trainee under this subsection outstanding at any time shall not exceed the amount of the average weekly gross unemployment compensation payment (including allowances for dependents) for a week of total unemployment in the State making such payments during the four-calendar-quarter period for which such data are available most immediately prior to the commencement of training by such trainee. Such advance payments shall be repaid either through deductions from training allowances or through other arrangements with such trainee.

(k) Under such standards as the Secretary of Labor may find appropriate to achieve the purposes of subsection 202(1), an individual referred to part-time training under such section shall be paid an amount not to exceed $10 with respect to each week in which he is engaged in such training and such payment shall be in lieu of any other payments to which he may otherwise be entitled under this section.

(l)(1) No training allowance shall be paid to any person for any period for which a money payment has been made with respect to the need of that person under a State plan which has been approved under title I, IV, X, XIV, or XVI of the Social Security Act and which meets the requirements of the first sentence of paragraph (2) of this subsection. The Secretary of Labor is authorized to pay to any such person (A) such sums as the Secretary determines to be necessary to defray expenses of that person which are attributable to training pursuant to the provisions of this Act, and (B) a training incentive payment of not more than $20 per week. Persons receiving payments under the preceding sentence shall be counted for purposes of the third sentence of section 203(c) as though they were receiving training allowances.

(2) Notwithstanding the provisions of titles I, IV, X, XIV, and XVI of the Social Security Act, a State plan approved under any such title shall provide that no payment made to any person pursuant to paragraph (1) of this subsection shall be regarded (A) as income or

resources of that person in determining his need under such approved State plan, or (B) as income or resources of any other person in determining the need of that other person under such approved State plan. No funds to which a State is otherwise entitled under title I, IV, X, XIV, or XVI of the Social Security Act for any period before the first month beginning after the adjournment of the State's first regular legislative session which adjourns more than sixty days after the enactment of this subsection shall be withheld by reason of any action taken pursuant to a State statute which prevents such State from complying with the requirements of this paragraph.

(42 U.S.C. 2583) Enacted Mar. 15, 1965, P.L. 87–415, sec. 203, 76 Stat. 26; amended Oct. 1, 1962, P.L. 87–729, 76 Stat. 679; amended Dec. 19, 1963, P.L. 88–214, sec. 3, 77 Stat. 422; amended April 26, 1965, P.L. 89–15, sec. 6, 79 Stat. 77; amended Nov. 7, 1966, P.L. 89–792, sec. 4, 80 Stat. 1435; amended Nov. 8, 1966, P.L. 89–794, sec. 1001(b), 80 Stat. 1475; amended Oct. 24, 1968, P.L. 90–636, sec. 4, 5(a), 82 Stat. 1353.

ON-THE-JOB TRAINING

Sec. 204. (a) The Secretary of Labor shall encourage, develop and secure the adoption of programs for on-the-job training needed to equip persons selected for training with the appropriate skills. The Secretary shall, to the maximum extent possible, secure the adoption by the States and by private and public agencies, employers, trade associations, labor organizations and other industrial and community groups which he determines are qualified to conduct effective training programs under this title of such programs as he approves, and for this purpose he is authorized to enter into appropriate agreements with them: *Provided*, That the Secretary shall not refuse to receive for consideration any application from any applicant who desires to conduct a training program under this part.

(b) In adopting or approving any training program under this part, and as a condition to the expenditure of funds for any such program, the Secretary shall make such arrangements as he deems necessary to insure adherence to appropriate training standards, including assurances—

(1) that the training content of the program is adequate, involves reasonable progression, and will result in the qualification of trainees for suitable employment;

(2) that the training period is reasonable and consistent with periods customarily required for comparable training;

(3) that adequate and safe facilities, and adequate personnel and records of attendance and progress are provided; and

(4) that the trainees are compensated by the employer at such rates, including periodic increases, as may be deemed reasonable under regulations hereinafter authorized, considering such factors as industry, geographical region, and trainee proficiency.

(c) Where on-the-job training programs under this part require supplementary classroom instruction, appropriate arrangements for such instruction shall be agreed to by the Secretary Health, Education, and Welfare and the Secretary of Labor.

(42 U.S.C. 2584) Enacted Mar. 15, 1962, P.L. 87–415, sec. 204, 76 Stat. 28; amended Oct. 24, 1965, P.L. 90–636, sec. 6, 82 Stat. 1353.

ADVISORY COMMITTEES

SEC. 205. (a) The Secretary shall appoint a National Advisory Committee which shall consist of ten members and shall be composed of representatives of labor, management, agriculture, education, and training, and the public in general. From the members appointed to such Committee the Secretary shall designate a Chairman. Such Committee, or any duly established subcommittee thereof, shall from time to time make recommendations to the Secretary relative to the carrying out of his duties under this Act. Such Committee shall hold not less than two meetings during each calendar year.

(b) For the purpose of making expert assistance available to persons formulating and carrying on programs under this title, the Secretary shall, where appropriate, require the organization on a community, State, and/or regional basis of labor-management-public advisory committees.

(c) The National Advisory Committee may accept gifts or bequests, either for carrying out specific programs or for its general activities or for its responsibilities under subsection (b) of this section.

(d) Appointed members of the National Advisory Committee shall be paid compensation at the rate of $50 per diem when engaged in the work of the National Advisory Committee, including travel time, and shall be allowed travel expenses and per diem in lieu of subsistence as authorized by law (5 U.S.C. 73b–2) for persons in the Government service employed intermittently and receiving compensation on a per diem, when actually employed, basis.

(e) (1) Any member of the National Advisory Committee is hereby exempted, with respect to such appointment, from the operation of sections 281, 283, and 1914 of title 18 of the United States Code, and section 190 of the Revised Statutes (5 U.S.C. 99), except as otherwise specified in paragraph (2) of this subsection.

(2) The exemption granted by paragraph (1) of this subsection shall not extend—

(A) to the receipt or payment of salary in connection with the appointee's Government service from any source other than the private employer of the appointee at the time of his appointment, or

(B) during the period of such appointment, to the prosecution or participation in the prosecution, by any person so appointed, of any claim against the Government involving any matter with which such person, during such period, is or was directly connected by reason of such appointment.

(42 U.S.C. 2585) Enacted Mar. 15, 1962, P.L. 87–415, sec. 204, 76 Stat. 28; amended Dec. 19, 1963, P.L. 88–214, sec. 4, 77 Stat. 423.

STATE AGREEMENTS

SEC. 206. (a) The Secretary of Labor is authorized to enter into an agreement with each State, or with the appropriate agency of each State, pursuant to which the Secretary of Labor may, for the purpose of carrying out his functions and duties under this title, utilize the services of the appropriate State agency and, notwithstanding any other provision of law, may make payments to such State or appropriate agency for expenses incurred for such purposes.

(b) Any agreement under this section may contain such provisions as will promote effective administration, protect the United States against loss and insure that the functions and duties to be carried out by the appropriate State agency are performed in a manner satisfactory to the Secretary.

(42 U.S.C. 2586) Enacted Mar. 15, 1962, P.L. 87–415, sec. 206, 76 Stat. 29.

RULES AND REGULATIONS

SEC. 207. The Secretary of Labor shall prescribe such rules and regulations as he may deem necessary and appropriate to carry out the provisions of this part.

(42 U.S.C. 2587) Enacted Mar. 15, 1962, P.L. 87–415, sec. 217, 76 Stat. 29.

PART B—DUTIES OF THE SECRETARY OF HEALTH, EDUCATION, AND WELFARE

GENERAL RESPONSIBILITY

SEC. 231. (a) The Secretary of Health, Education, and Welfare, shall, pursuant to the provisions of this title, enter into agreements with States under which the appropriate State education agencies will undertake to provide training needed to equip persons referred to the Secretary of Health, Education, and Welfare by the Secretary of Labor pursuant to section 202, for the occupations specified in the referrals, except that with respect to education to be provided pursuant to referrals under subsection (b) or (i) of section 202, the Secretary of Health, Education, and Welfare may make arrangements for the provision of the education to be provided under such subsection through other appropriate education agencies. Such State agencies shall provide for such training through public educational agencies or institutions or through arrangements with private educational or training institutions where such private institutions can provide equipment or services not available in public institutions, particularly for training in technical and subprofessional occupations, or where such institutions can, at comparable cost (1) provide substantially equivalent training, or (2) make possible an expanded use of the individual referral method, or (3) aid in reducing more quickly unemployment or current and prospective manpower shortages. The State agency shall be paid not more than 90 per centum of the cost to the State of carrying out the agreement, unless the Secretary of Health, Education, and Welfare determines that payments in excess of 90 per centum are necessary because such payments with respect to private institutions or programs carried out in conjunction with programs or projects under section 102(6) are required to give full effect to the purposes of the Act, and except that the State agency for the Trust Territory of the Pacific Islands may be paid up to 100 per centum of such costs: *Provided*, That for the period ending June 30, 1966, the State agency shall be paid 100 per centum of the cost to the State of carrying out the agreement. Non-Federal contributions may be in cash or kind,

fairly evaluated, including but not limited to plant, equipment, and services. Such agreements shall contain such other provisions as will promote effective administration (including provision (1) for reports on the attendance and performance of trainees, (2) for immediate certification to the Secretary of Labor by the responsible training agency with respect to each person referred for training who does not have a satisfactory attendance record or is not making satisfactory progress in such training absent good cause, and (3) for continuous supervision of the training programs conducted under the agreement to insure the quality and adequacy of the training provided), protect the United States against loss, and assure that the functions and duties to be carried out by such State agency are performed in such fashion as will carry out the purposes of this title. The Secretary of Health, Education, and Welfare shall give preference to training and education provided through State vocational education agencies and other State education agencies. However, in any case in which he determines that it would permit persons to begin their training or education within a shorter period of time, or permit the needed training or education to be provided more economically, or more effectively, he may provide the needed training or education by agreement or contract made directly with public or private training or educational facilities or through such other arrangements as he deems necessary to give full effect to this Act.

(b) In making arrangements for institutional training financed in whole or in part with funds appropriated to carry out title I, and title II, parts A, B, C, and D of this Act, including but not limited to basic education, employability and communications skills, prevocational training, vocational and technical programs, and supplementary or related instruction for on-the-job training whether conducted at the job site or elsewhere, priority shall be given to the use of skills centers as established under the authority of this section.

(42 U.S.C. 2601) Enacted Mar. 15, 1962. P.L. 87–415, sec. 231, 76 Stat. 30; amended Dec. 19, 1963, P.L. 88–214, sec. 6, 77 Stat. 424; amended Apr. 26, 1965, P.L. 89–15, sec. 8, 79 Stat. 78; amended Nov. 7, 1966, P.L. 89–172, sec. 5, 80 Stat. 1436; amended Oct. 24, 1968, P.L. 90–636, secs. 3(b), 5(b), 7, 82 Stat. 1353, 1354.

RULES AND REGULATIONS

Sec. 232. The Secretary of Health, Education, and Welfare may prescribe such rules and regulations as he may deem necessary and appropriate to carry out the provisions of this part.

(42 U.S.C. 2602) Enacted Mar. 15, 1962, P.L. 87–415, sec. 232, 76 Stat. 30.

ANNUAL REPORT

Sec. 233. Prior to April first of each year, the Secretary of Health, Education, and Welfare shall make an annual report to Congress. Such report shall contain an evaluation of the programs under section 231, the need for continuing such programs, and recommendations for improvement. The reports shall also contain progress reports on the vocational training study which will be conducted under the supervision of the Secretary during 1966 and 1967.

(42 U.S.C. 2603) Enacted Nov. 7, 1966, P.L. 89–792, sec. 8(b), 80 Stat. 1437.

PART C—REDEVELOPMENT AREAS

SEC. 241. The Secretaries of Labor and Health, Education, and Welfare, in accordance with their respective responsibilities under parts A and B of this title, are authorized to provide a supplementary program of training and training allowances, in consultation with the Secretary of Commerce, for unemployed and underemployed persons residing in areas designated as redevelopment areas by the Secretary of Commerce under the Area Redevelopment Act or any subsequent Act authorizing such designation. Such program shall be carried out by the Secretaries of Labor and Health, Education, and Welfare in accordance with the provisions otherwise applicable to programs under this Act and with their respective functions under those provisions, except that—

(1) the Secretary of Labor, in consultation with the Secretary of Commerce, shall determine the occupational training or retraining needs of unemployed or underemployed individuals residing in redevelopment areas;

(2) all unemployed or underemployed individuals residing in redevelopment areas who can reasonably be expected to obtain employment as a result of such training may be referred and selected for training and shall be eligible for training allowances under this section: *Provided*, That the amount and duration of training allowances under this section shall in no event exceed the amount and duration of training allowances provided under section 203(a) of this Act;

(3) the Secretaries of Labor and of Health, Education, and Welfare shall, each with respect to his functions under this section, prescribe jointly with the Secretary of Commerce such rules and regulations as may be necessary to carry out the purposes of this section; and

(4) no funds available under this section shall be apportioned to any State pursuant to section 301 of this Act, nor shall any matching funds be required.

(42 U.S.C. 2610a) Enacted Apr. 26, 1965, P.L. 89-15, sec. 9(a), 79 Stat. 79.

PART D—CORRECTIONAL INSTITUTIONS

SEC. 251. Without regard to any other provision of this title or section 301 of this Act, the Secretary of Labor shall, during the period ending June 30, 1970, develop and carry out experimental and demonstration programs of training and education for persons in correctional institutions who are in need thereof to obtain employment upon release. Arrangements for such education and training shall be made by the Secretary of Health, Education, and Welfare after consultation with the appropriate area manpower development and training advisory committee. Programs under this part shall be conducted through agreements with officials of Federal, State, and local correctional institutions. To the fullest extent practicable, the Secretary of Labor shall utilize the available services of other Federal departments and agencies. Programs under this part may include vocational education; special job development and placement activities; prevocational, basic, and secondary education, and counseling, where appropriate; supportive and followup services and such other assistance as is deemed necessary.

(42 U.S.C. 2610b) Enacted Nov. 7, 1966, P.L. 89–792, sec. 6(a), 80 Stat. 1436; amended Oct. 24, 1968, P.L. 90–636, sec. 1(3), 82 Stat. 1352.

PART E—WORK EXPERIENCE AND TRAINING PROGRAMS

SEC. 261. (a) The Secretary of Labor in cooperation with the Secretary of Health, Education, and Welfare shall provide, under this part, programs for needy persons who require work experience or special family and supportive services, as well as training, in order that they may be assisted to secure and hold regular employment in a competitive labor market. Such programs shall—

(1) provide for the selection of participants pursuant to procedures and criteria jointly described by the Secretary of Labor and the Secretary of Health, Education, and Welfare;

(2) include pretraining services and basic maintenance, health, family and day care, counseling, and similar social services, and basic education, as provided by the Secretary of Health, Education, and Welfare pursuant to section 502 of the Economic Opportunity Act of 1964, as amended;

(3) provide through agreements with appropriate public or private nonprofit agencies, work experience to the extent required to assist participants in developing necessary work attitudes or to prepare them for work or training involving the acquisition of needed skills;

(4) provide testing, counseling, training either on or off the job (including classroom instruction where needed through appropriate arrangements agreed to by the Secretary of Labor and the Secretary of Health, Education, and Welfare), to assist participants to develop their occupational potential, improve their occupational level and secure promotion or advancement;

(5) provide, through appropriate arrangements with employers, labor organizations, and other public and private agencies, for development where needed of additional employment opportunities for participants, for job referral and follow-up services required to assist participants in securing and retaining employment and securing possibilities for advancement; and

(6) provide in accordance with the criteria prescribed in section 104 of this Act, relocation assistance to involuntarily unemployed individuals where the Secretary of Labor determines they cannot reasonably be expected to secure full-time employment in the community in which they reside.

(b) In developing and approving programs under this part, the Secretary of Labor shall give priority to programs with a high-training potential and which afford the best prospects for contributing to the upward mobility of participants.

(c) Notwithstanding any other provision of this Act, the provisions of section 503 of the Economic Opportunity Act of 1964, as amended, shall govern the use and apportionment among the several States of funds provided pursuant to such Act for the purpose of carrying out this part.

(42 U.S.C. 2610c) Enacted Nov. 8, 1966, P.L. 89–794, sec. 1001(c), 80 Stat. 1475.

TITLE III—MISCELLANEOUS

APPORTIONMENT OF BENEFITS

SEC. 301(a). For the purpose of effecting an equitable apportionment of Federal expenditures among the States in carrying out the programs authorized under parts A and B of title II of this Act, the Secretary of Labor and the Secretary of Health, Education, and Welfare shall apportion 80 per centum of the funds available for such purposes in accordance with uniform standards and in arriving at such standards shall consider only the following factors: (1) the proportion which the labor force of a State bears to the total labor force of the United States, (2) the proportion which the unemployed in a State during the preceding calendar year bears to the total number of unemployed in the United States in the preceding calendar year, (3) the lack of appropriate full-time employment in the State, (4) the proportion which the insured unemployed within a State bears to the total number of insured employed within such State, and (5) the average weekly unemployment compensation benefits paid by the State, but in no event shall a State be apportioned less than $750,000; except that for the Virgin Islands, Guam, and American Samoa, such amount shall be $100,000 each. The remaining 20 per centum may be expended by the Secretary of Labor and the Secretary of Health, Education, and Welfare as they find necessary or appropriate to carry out the purposes of title II. The Secretary of Labor and the Secretary of Health, Education, and Welfare are authorized to make reapportionments from time to time where the total amounts apportioned under this section have not been fully obligated in a particular State, or where the State or appropriate agencies in the State have not entered into the necessary agreements, and the Secretaries find that any other State is in need of additional funds to carry out the programs authorized by this Act: *Provided*, That no funds apportioned with respect to a State in any fiscal year shall be reapportioned before the expiration of the ninth month of such fiscal year and only upon 15 days' prior notice to such State of the proposed reapportionment.

(b) Where the Secretaries of Labor and Health, Education, and Welfare have approved a plan submitted by a State council[1] with whom they have an agreement under this Act, which plan may be submitted under a comprehensive area manpower planning system or under such other planning requirements as the Secretaries may specify, such State agency shall have authority to approve (1) project applications for an amount not to exceed 20 per centum of the funds apportioned to such State under the first sentence of section 301(a) without further project approval by the Federal Government; and (2) all other project applications which conform to such State plan, unless either of the Secretaries disapprove such project applications within 30 days following receipt of such applications.

(42 U.S.C. 2611) Enacted Mar. 15, 1962, P.L. 87-415, sec. 301, 76 Stat. 30; amended Apr. 26, 1965, P.L. 89-15, sec. 10, 79 Stat. 79; amended Nov. 6, 1966, P.L. 89-792, sec. 7, 80 Stat. 1437; amended Oct. 24, 1968, P.L. 90-636, secs. 8, 9, 10, 82, Stat. 1352.

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[1] Error, "State agency intended."

MAINTENANCE OF STATE EFFORT

SEC. 302. No training program which is financed in whole or in part by the Federal Government under this Act shall be approved unless the Secretary of Labor, if the program is authorized under part A of title II, or the Secretary of Health, Education, and Welfare, if the program is authorized under part B of title II, satisfies himself that neither the State nor the locality in which the training is carried out has reduced or is reducing its own level of expenditures for vocational education and training, including program operation under provisions of the Smith-Hughes Vocational Education Act, title I, II, and III of the Vocational Education Act of 1946, and the Vocational Education Act of 1963, except for reductions unrelated to the provisions or purposes of this Act.

(42 U.S.C. 2612) Enacted Mar. 15, 1962, P.L. 87–415, sec. 302, 76 Stat. 31; amended Apr. 26, 1965, P.L. 89–15, sec. 11, 79 Stat. 79.

OTHER AGENCIES AND DEPARTMENTS

SEC. 303. (a) In the performance of their functions under this Act, the Secretary of Labor and the Secretary of Health, Education, and Welfare, in order to avoid unnecessary expense and duplication of functions among Government agencies, shall use the available services or facilities of other agencies and instrumentalities of the Federal Government, under conditions specified in section 306(a). Each department, agency, or establishment of the United States is authorized and directed to cooperate with the Secretary of Labor and the Secretary of Health, Education, and Welfare and, to the extent permitted by law, to provide such services and facilities as either may request for his assistance in the performance of his functions under this Act.

(b) The Secretary of Labor and the Secretary of Health, Education, and Welfare shall carry out their responsibilities under this Act through the maximum utilization of all possible resources for skill development available in industry, labor, public and private educational and training institutions, State, Federal, and local agencies, and other appropriate public and private organizations and facilities.

(42 U.S.C. 213) Enacted Mar. 15, 1962, P.L. 87–415, sec. 303, 76 Stat. 31.

APPROPRIATIONS AUTHORIZED

SEC. 304. (a) For the purposes of carrying out title I, there are hereby authorized to be appropriated not in excess of $46,000,000 for the fiscal year ending June 30, 1966, and for each fiscal year thereafter such amounts as may be necessary.

(b) For the purpose of carrying out parts A and B of title II, there are hereby authorized to be appropriated not in excess of $385,000,000 for the fiscal year ending June 30, 1966, and for each fiscal year thereafter such amounts as may be necessary.

(c) For the purpose of carrying out part C of title II, there are hereby authorized to be appropriated not in excess of $22,000,000 for the fiscal year ending June 30, 1966, and for each year thereafter such amounts as may be necessary.

(d) For the purpose of carrying out part D of title II, there are hereby authorized to be appropriated for the fiscal year ending June 30, 1969, and for the fiscal year ending June 30, 1970, such amounts as may be necessary.

(e) For the purpose of carrying out title III, there are hereby authorized to be appropriated not in excess of $1,000,000 for the fiscal year ending June 30, 1966, and for each year thereafter such amounts as may be necessary.

(42 U.S.C. 2614) Enacted Mar. 15, 1962, P.L. 87-415, sec. 304, 76 Stat. 31; amended Dec. 19, 1963, P.L. 88-214, sec. 7, 77 Stat. 424; amended Apr. 26, 1965, P.L. 89-15, sec. 12, 79 Stat. 80; amended Nov. 6, 1966, P.L. 89-792, sec. 6(b), 80 Stat. 1437; amended Oct. 24, 1968, P.L. 90-636, sec. 1(4), 82 Stat. 1352.

LIMITATIONS ON USE OF APPROPRIATED FUNDS

SEC. 305. (a) Funds appropriated under the authorization of this Act may be transferred, with the approval of the Director of the Bureau of the Budget, between departments and agencies of the Government, if such funds are used for the purposes for which they are specifically authorized and appropriated.

(b) Any equipment and teaching aids purchased by a State or local education agency with funds appropriated to carry out the provisions of part B shall become the property of the State.

(c) No portion of the funds to be used under part B of this Act shall be appropriated directly or indirectly to the purchase, erection, or repair of any building except for minor remodeling of a public building necessary to make it suitable for use in training under part B.

(d) Funds appropriated under this Act shall remain available for one fiscal year beyond that in which appropriated.

(e) The costs of all training programs approved in any fiscal year, including the total cost of training allowances for such programs, may be paid from funds appropriated for such purposes for that fiscal year; and the amount of the Federal payment shall be computed on the basis of the per centum requirement in effect at the time such programs are approved: *Provided*, That funds appropriated for the fiscal year ending June 30, 1966, may be expended for training programs approved under this Act prior to July 1, 1965.

(42 U.S.C. 2615) Enacted Mar. 15, 1962, P.L. 87-415, sec. 305, 76 Stat. 32; amended Dec. 19, 1963, P.L. 88-214, sec. 8, 77 Stat. 424; amended Apr. 26, 1965, P.L. 89-15, sec. 13, 79 Stat. 80.

AUTHORITY TO CONTRACT

SEC. 306. (a) The Secretary of Labor and the Secretary of Health, Education, and Welfare may make such contracts or agreements, establish such procedures, including (subject to such policies, rules, and regulations as they may prescribe) the approval of any program under section 202, the cost of which does not exceed $75,000, and make such payments, either in advance or by way of reimbursement, or otherwise allocate or expend funds made available under this Act, as they deem necessary to carry out the provisions of this Act.

(b) The Secretary of Labor and the Secretary of Health, Education, and Welfare shall not use any authority conferred by this Act to assist in relocating establishments from one area to another. Such limitation shall not prohibit assistance to a business entity in the establishment of a new branch, affiliate, or subsidiary of such entity if the Secretary of Labor finds that assistance will not result in an increase in unemployment in the area of original location or in any other area where such entity conducts business operations, unless he has reason to believe that such branch, affiliate, or subsidiary is being established with the intention of closing down the operations of the existing business entity in the area of its original location or in any other area where it conducts such operations.

(42 U.S.C. 2616) Enacted Mar. 15, 1962, P.L. 87–415, sec. 306, 76 Stat. 32; amended Apr. 26, 1965, P.L. 89–15, sec. 14, 79 Stat. 80.

SELECTION AND REFERRAL

SEC. 307. The selection of persons for training under this Act and for placement of such persons shall not be contingent upon such person's membership or nonmembership in a labor organization.

(42 U.S.C. 2617) Enacted Mar. 15, 1962, P.L. 87–415, sec. 307, 76 Stat. 32.

DEFINITION

SEC. 308. For the purposes of this Act, the term "State" includes the District of Columbia, Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands.

(42 U.S.C. 2618) Enacted Mar 15, 1962, P.L. 87–415, sec. 308, 76 Stat. 32; amended Oct. 24, 1968, P.L. 90–636, sec. 5(c), 82 Stat.1353.

TRAINING AND TECHNICAL ASSISTANCE

SEC. 309. (a) In carrying out the responsibilities under this Act the Secretary of Labor and the Secretary of Health, Education, and Welfare shall provide, directly or through grants, contracts, or other arrangements, training for specialized or other personnel and technical assistance which is needed in connection with the programs established under this Act or which otherwise pertains to the purposes of this Act. Upon request, the Secretary may make special assignments of personnel to public or private agencies, institutions, or employers to carry out the purposes of this section; but no such special assignments shall be for a period of more than two years.

(b) Two per centum of the sums appropriated in any fiscal year to carry out titles I, II, and III of this Act shall be available only for training and assistance authorized by this section.

(42 U.S.C. 2619) Enacted Oct. 24, 1968, P.L. 90–636, sec. 11, 82 Stat. 1354.

TERMINATION OF AUTHORITY

SEC. 310. (a) All authority conferred under title II of this Act shall terminate at the close of June 30, 1972.

(b) Notwithstanding the foregoing, the termination of title II shall not affect the disbursement of funds under, or carrying out of, any contract, commitment or other obligation entered into prior to the date of such termination: *Provided*, That no disbursement of

funds shall be made pursuant to the authority conferred under title II of this Act after December 30, 1972.

(42 U.S.C. 2620) Enacted Mar. 15, 1965, P.L. 87–415, sec. 310, 76 Stat. 33; amended Dec. 19, 1963, P.L. 88–214, sec. 10, 77 Stat. 424; amended Apr. 26, 1965, P.L. 89–15, sec. 16, 79 Stat. 80; amended Oct. 24, 1968, P.L. 90–636, sec. 1(5), 82 Stat. 1352.

TITLE IV—SEASONAL UNEMPLOYMENT IN THE CONSTRUCTION INDUSTRY

SEC. 401. (a) The Congress finds that seasonal unemployment represents a substantial portion of the unemployment in the construction industry, and a significant portion of all unemployment, that seasonal unemployment results in economic hardship for construction employees, employers, and for the consumers of construction services; that such unemployment constitutes unnecessary and wasteful misuse of the Nation's manpower resources; that stabilization of construction operations may be expected to have a correspondingly stabilizing effect on construction employment and costs; and that it is highly desirable from the standpoint of the economy as a whole, and manpower policy in particular that positive and expeditious action be taken by public authorities and private groups to regularize construction employment.

(b) It is therefore the purpose of this title to provide for the conduct of a study of seasonality in the construction industry, with special attention to its implications for national manpower policy.

(42 U.S.C. 2621) Enacted Oct. 24, 1968, P.L. 90–636, sec. 12, 82 Stat. 1354, 1355.

SEC. 402. The Secretary of Labor and the Secretary of Commerce, jointly, shall study, investigate, conduct research, and prepare a report containing their findings and recommendations concerning means to achieve stabilization of employment in the construction industry and the diminishment of seasonality of employment in such industry, with special attention to its implications for national manpower policy, and shall transmit such report to the President and to the Congress no later than December 31, 1969.

(42 U.S.C. 2622) Enacted Oct. 24, 1968, P.L. 90–636, sec. 12, 82 Stat. 1355.

SEC. 403. Matters which the Secretary of Labor and the Secretary of Commerce, after consultation with other appropriate officials of Federal agencies, including, but not necessarily limited to, the Secretary of Health, Education, and Welfare, the Secretary of Housing and Urban Development, the Secretary of the Interior, the Secretary of Transportation, the Administrator of the General Services Administration, and the Director of the Bureau of the Budget, and with engineers, with other appropriate officials of Federal agencies, including, but not necessarily limited to, the Secretary of Health, Education, and Welfare, the Secretary of Housing and Urban Development, the Secretary of the Interior, the Secretary of Transportation, the Administrator of the General Services Administration, and the Director of the Bureau of the Budget, and with engineers, architects, and representatives of labor and management in the construction industry, shall consider, shall include, but not necessarily be limited to, the extent to which seasonal unemployment in the construction industry can be reduced without substantial increases in construction costs by means such as—

(a) the application of modern techniques to reduce the influence of weather on construction activity;

(b) the resolution of technical problems which have not been solved by existing research and development activities;

(c) possible changes in contract procedures in allocation cycles; and

(d) improved planning and scheduling of construction projects.

(42 U.S.C. 2623) Enacted Oct. 24, 1968, P.L. 90–636, sec. 12, 82 Stat. 1355.

TITLE V—SUPPLEMENTARY STATE PROGRAMS

STATEMENT OF PURPOSE

Sec. 501. It is the purpose of this title to provide a method whereby a State may utilize Federal matching funds, together with its own funds for the purposes of supplementing, coordinating and improving the effectiveness of, or correcting imbalances among, the services available from all Federal manpower and related programs seeking to improve the ability of disadvantaged persons to move into productive employment.

(42 U.S.C. 2624) Enacted Oct. 24, 1968, P.L. 90–636, sec. 13, 82 Stat. 1355, 1356.

AUTHORIZATION FOR GRANTS

Sec. 502. The Secretary of Labor (hereinafter in this title referred to as the Secretary) is authorized to grant to any State which meets the requirements of section 403 an amount, for fiscal years 1969 and 1970, not to exceed 75 per centum of the cost of the supplemental efforts and activities undertaken by a State pursuant to the provisions of this title.

(42 U.S.C. 2625) Enacted Oct. 24, 1968, P.L. 90–636, sec. 13, 82 Stat. 1356.

APPLICATIONS AND CONDITIONS

Sec. 503. (a) Any State which desires a grant under this title shall make application to the Secretary at such time, in such manner, and containing or accompanied by such information as he deems reasonably necessary.

(b) No grant may be made under the provisions of this title unless the Secretary finds that—

(1) after consultation with said State, the effectiveness of Federal manpower and related programs seeking to move disadvantaged persons into productive employment within such State can be facilitated or improved by additional State efforts and activities; and

(2) such application (A) describes how such additional efforts and activities will be undertaken in support of existing Federal programs, (B) demonstrates that such efforts and activities are not inconsistent with such State's cooperative area manpower planning system plan, (C) demonstrates that such efforts and

activities will contribute to carrying out the purposes of this title, and (D) provides assurances that the State will pay the non-Federal share of the cost of such efforts and activities under this title.

(42 U.S.C. 2626) Enacted Oct. 24, 1968, P.L. 90–636, sec. 13, 82 Stat. 1356.

RULES AND REGULATIONS

Sec. 504. The Secretary may prescribe such rules and regulations under this title as he deems necessary.

(42 U.S.C. 2627) Enacted Oct. 24, 1968, P.L. 90–636, sec. 13, 82 Stat. 1356.

AUTHORIZATION OF APPROPRIATIONS

Sec. 505. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this title.

(42 U.S.C. 2628) Enacted Oct. 24, 1968, P.L. 90–636, sec. 13, 82 Stat. 1356.

Legislative History

(P.L. 87–415)

House Report: No. 1416 (committee of conference).
Senate Report: No. 651, 1991 (Committee on Labor and Public Welfare).
Congressional Record, volumes 107 (1961), 108 (1962):
  August 23, 1961: Considered and passed in Senate.
  February 28, 1962: Considered, amended and passed in House.
  March 8, 1962: Senate agreed to conference report.
  March 13, 1962: House agreed to conference report.
Approved: March 15, 1962.

(P.L. 88–214)

House Report: No. 861 (Committee on Education and Labor).
Senate Report: No. 458 accompanying S. 1716 and No. 480 accompanying S. 1831 (Committee on Labor and Public Welfare).
Congressional Record, volume 109 (1963):
  December 12: Considered and passed House.
  December 12: Considered and passed Senate.
Approved: December 19, 1963.

(P.L. 89–15)

House Reports: No. 170 accompanying H.R. 4257 (Committee on Education and Labor) and No. 231 (committee of conference).
Senate Report 123 (Committee on Labor and Public Welfare).
Congressional Record, volume 111 (1965):
  March 16: Considered and passed Senate.
  April 1: Considered and passed House, amended, in lieu of H.R. 4257.
  April 9: Senate agreed to conference report.
  April 13: House agreed to conference report.
Approved: April 26, 1965.

(P.L. 89–792)

House Report No. 2017 (Committee on Education and Labor).
Senate Report No. 1712 (Committee on Labor and Public Welfare).
Congressional Record, volume 112 (1966):
  September 19: Considered and passed House.
  October 13: Considered and passed House.
Approved: November 7, 1966.

(P.L. 89–794)

House Reports: No. 1568 (Committee on Education and Labor) and No. 2298 (committee of conference).

Senate Report No. 1666 accompanying S. 3164 (Committee on Labor and Public Welfare).

Congressional Record, volume 112 (1966):
September 26–28: Considered in House.
September 29: Considered and passed House.
September 30, October 3: S. 3164 considered in Senate.
October 4: Considered and passed Senate, amended, in lieu of S. 3164.
October 18: Senate agreed to conference report.
October 20: House agreed to conference report.
Approved: November 8, 1966.

(P.L. 90–636)

House Reports: No. 1595 accompanying H.R. 15045 (Committee on Education and Labor) and No. 1846 accompanying H.R. 15990 (Committee on Education and Labor).

Senate Report No. 1445 (Committee on Labor and Public Welfare).

Congressional Record, volume 114 (1968):
October 7: Considered and passed Senate.
October 10: Considered and passed House.
Approved: October 24, 1968.

CIVIL DEFENSE ADULT EDUCATION

AN ACT TO authorize a Federal civil defense program, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Federal Civil Defense Act of 1950".

(50 U.S.C. App. 2251 note) Enacted Jan. 12, 1951, P.L. 920, 81st Cong., sec. 1, 64 Stat. 1245.

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DECLARATION OF POLICY

Sec. 2. It is the sense of the Congress that the defense of the United States, in this thermonuclear age, can best be accomplised by enacting into law the measures set forth in this Act. It is the policy and intent of Congress to provide a plan of civil defense for the protection of life and property in the United States from attack. It is further declared to be the policy and intent of Congress that this responsibility for civil defense shall be vested primarily in the several States and their political subdivisions. The Federal Government shall provide necessary direction, coordination and guidance; shall be responsible for the operations of the Federal Civil Defense Administration as set forth in this Act; and shall provide necessary assistance as hereinafter authorized.

(50 U.S.C. App. 2251) Enacted Jan. 12, 1951. P.L. 920 81st Cong., sec. 2, 64 Stat. 1246; amended Aug. 8, 1958, P.L. 85–606, sec. 2, 72 Stat. 532.

DEFINITIONS

Sec. 3. As used in this Act—

(a) The term "attack" means any attack or series of attacks by an enemy of the United States causing, or which may cause, substantial damage or injury to civilian property or persons in the United States in any manner by sabotage or by the use of bombs, shellfire, or atomic, radiological, chemical, bacteriological, or biological means or other weapons or processes;

(b) The term "civil defense" means all those activities and measures designed or undertaken (1) to minimize the effects upon the civilian population caused or which would be caused by an attack upon the United States, (2) to deal with the immediate emergency conditions which would be created by any such attack, and (3) to effectuate emergency repairs to, or the emergency restoration of, vital utilities and facilities destroyed or damaged by any such attack. Such term shall include, but shall not be limited to, (A) measures to be taken in preparation for anticipated attack (including the establishment of appropriate organizations, operational plans, and supporting agreements; the recruitment and training of personnel; the conduct of research; the procurement and stockpiling of necessary materials and supplies; the provision of suitable warning systems; the construction or preparation of shelters, shelter areas, and control centers; and, when appropriate, the non-military evacuation of civil population); (B) measures to be taken during attack (including the enforcement of passive defense regulations prescribed by duly established military or civil authorities; the evacuation of personnel to shelter areas; the control of traffic and panic; and the control and use of lighting and civil communications); and (C) measures to be taken following attack (including activities for fire fighting; rescue, emergency medical, health and sanitation services; monitoring for specific hazards of special weapons; unexploded bomb reconnaissance; essential debris clearance; emergency welfare measures; and immediately essential emergency repair or restoration of damaged vital facilities);

(c) The term "organizational equipment" means equipment determined by the Administrator to be (1) necessary to a civil defense organization, as distinguished from personal equipment, and (2) of such a type or nature as to require it to be financed in whole or in part by the Federal Government. It shall not be construed to include those items which the local community normally utilizes in combating local disasters except when required in unusual quantities dictated by the requirements of the civil defense plans;

(d) The word "materials" shall include raw materials, supplies, medicines, equipment, component parts and technical information and processes necessary for civil defense;

(e) The word "facilities", except as otherwise provided in this Act, shall include buildings, shelters, utilities, and land;

(f) The term "United States" or "States" shall include the several States, the District of Columbia, the Territories, and the possessions of the United States; and

(g) The term "neighboring countries" shall include Canada and Mexico.

(50 U.S.C. App. 2252) Enacted Jan. 12, 1951, P.L. 920, 81st Cong., sec. 2, 64 Stat. 1246

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TITLE II—POWERS AND DUTIES

DETAILED FUNCTIONS OF ADMINISTRATION

SEC. 201. The Administrator[2] is authorized, in order to carry out the above-mentioned purposes, to—

(a) prepare national plans and programs for the civil defense of the United States, making such use of plans and programs previously initiated by the National Security Resources Board as is feasible; sponsor and direct such plans and programs; and request such reports on State plans and operations for civil defense as may be necessary to keep the President, the Congress and the several States advised of the status of civil defense in the United States;

(b) delegate, with the approval of the President, to the several departments and agencies of the Federal Government appropriate civil defense responsibilities, and review and coordinate the civil defense activities of the departments and agencies with each other and with the activities of the States and neighboring countries;

(c) make appropriate provision for necessary civil defense communications and for dissemination of warnings of enemy attacks to the civilian population;

(d) study and develop civil defense measures designed to afford adequate protection of life and property, including, but not limited to research and studies as to the best methods of treating the effects of attacks; developing shelter designs and materials for protective covering or construction; and developing equipment or facilities and effecting the standardization thereof to meet civil defense requirements;

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[2] Functions of Federal Civil Defense Administrator transferred to President on July 1, 1958 (1958 Reorg. Plan No. 1, sec. 1, 23 F.R. 4991, 72 Stat. 1799, as amended Aug. 26, 1958, by P.L. 85-763, 72 Stat. 861 and Sept. 22, 1961, by P.L. 87-296, sec. 1, 75 Stat 630), and consolidated with Office of Defense Mobilization to form the Office of Emergency Planning in the Executive Office of the President (sec. 2 of 1958 Reorg. Plan No. 1).

(e) conduct or arrange, by contract or otherwise, for training programs for the instruction of civil defense officials and other persons in the organization, operation, and techniques of civil defense; conduct or operate schools or classes, including the payment of travel expenses, in accordance with the Travel Expenses Act of 1949, as amended, and the Standardized Government Travel Regulations, and per diem allowances, in lieu of subsistence for trainees in attendance or the furnishing of subsistence and quarters for trainees and instructors subject to reimbursement on terms prescribed by the Administrator; and provide instructors and training aids as deemed necessary: *Provided*, That the terms prescribed by the Administrator for the payment of travel expenses and per diem allowances authorized by this subsection shall include a provision that such payment shall not exceed one-half of the total cost of such expenses: *Provided further*, That the authority to pay travel and per diem expenses of students as authorized by this section shall expire on June 30, 1968: *Provided further*, That not more than one national civil defense college and three civil defense technical training schools shall be established under the authority of this subsection: *Provided further*, That the Administrator is authorized to lease real property required for the purpose of carrying out the provisions of this subsection, but shall not acquire fee title to property unless specifically authorized by the Congress;

(f) publicly disseminate appropriate defense information by all appropriate means;

(g) assist and encourage the States to negotiate and enter into interstate civil defense compacts; review the terms and conditions of such proposed compacts in order to assist to the extent feasible in obtaining uniformity therein and consistency with the national civil defense plans and programs; assist and coordinate the activities thereunder; aid and assist in encouraging reciprocal civil defense legislation by the States which will permit the furnishing of mutual aid for civil defense purposes in the event of an attack which cannot be adequately met or controlled by a State or political subdivision thereof threatened with or undergoing an attack: *Provided*, That a copy of each such civil defense compact shall be transmitted promptly to the Senate and the House of Representatives. The consent of the Congress shall be granted to each such compact, upon the expiration of the first period of sixty calendar days of continuous session of the Congress following the date on which the compact is transmitted to it; but only if, between the date of transmittal and expiration of such sixty-day period, there has not been passed a concurrent resolution stating in substance that the Congress does not approve the compact: *Provided*, That nothing in this subsection shall be construed as preventing Congress from withdrawing at any time its consent to any such compact;

(h) procure by condemnation or otherwise, construct, lease, transport, store, maintain, renovate or distribute materials and facilities for civil defense, with the right to take immediate possession thereof: *Provided*, That facilities acquired by purchase, donation, or other means of transfer may be occupied, used, and improved for the purposes of this Act, prior to the approval of title by the Attorney General as required by section 355 of the Revised Statutes, as amended (40 U.S.C. 255): *Provided further*, That the Administrator shall report not less often than quarterly to the Congress all property acquisitions made pursuant to this subsection: *Provided further*, That on and after January 1, 1952, the Administrator shall not acquire any land, or any interest therein, pursuant to the provisions of this subsection unless such acquisition shall first have been specifically authorized by the Congress: *Provided further*, That until June 30, 1968, the Administrator is authorized to procure and maintain under this subsection radiological instruments and detection devices, protective masks, and gas detection kits, and distribute the same by loan or grant to the States for civil defense purposes, under such terms and conditions as the Administrator shall prescribe.

(i) make financial contributions, on the basis of programs or projects approved by the Administrator, to the States for civil defense purposes, including, but not limited to the, procurement, construction, leasing, or renovating of materials and facilities. Such contributions shall be made on such terms or conditions as the Administrator shall prescribe, including, but not limited to, the method of purchase, the quantity, quality, or specifications of the materials or facilities, and such other factors or care or treatment to assure the uniformity, availability, and good condition of such materials or facilities: *Provided*, That no contributions shall be made for the procurement of land: *Provided further*, That retroactive financial contributions which were otherwise approvable, approved and made to the States prior to June 30, 1960, to carry out the purposes of this subsection are ratified and affirmed: *Provided further*, That after June 30, 1964, no contribution shall be made for the purchase of personal equipment for State or local civil defense workers: *Provided further*, That the amounts authorized to be contributed by the Administrator to each State for organizational equipment shall be equally matched by such State from any source it determines is consistent with its laws: *Provided further*, That financial contributions to the States for shelters and other protective facilities shall be determined by taking the amount of funds appropriated or available to the Administrator for such facilities in each fiscal year and apportioning same among the States in the ratio which the urban population of the critical target areas (as determined by the Administrator, after consultation with the Secretary of Defense) in each State, at the time of the determination, bears to the total urban population of the critical target areas of all of the States: *Provided further*, That the amounts authorized to be contributed by the Administrator to each State for such shelters and protective facilities shall be equally matched by such State from any source it determines is consistent with its laws and, if not matched within a reasonable time, the Administrator may reallocate same to other States on the formula outlined above: *Provided further*, That the value of any land contributed by any State or political subdivision thereof shall be excluded from the computation of the State share: *Provided further*, That the amounts paid to any State under this subsection shall be expended solely in carrying out the purposes set forth herein and in accordance with State civil defense programs or projects approved by the Administrator: *Provided further*, That the Administrator shall make no contribution toward the cost of any program or project for the procurement, construction, or leasing of any facility which (1) is intended for use, in whole or in part, for any purpose other than civil defense and (2) is of such kind that upon completion it will, in his judgment, be capable of producing sufficient revenue to provide reasonable assurances of the retirement or repayment of such cost, except that (subject to the foregoing provisos of this subsection) he may make contribution to any State toward that portion of the cost of the construction, reconstruction, or enlargement of any facility which he shall determine to be directly attributable to the incorporation in such facility of any feature of construction or design not necessary for the principal intended purpose thereof but which is, in his judgment, necessary for the use of such facility for civil defense purposes: *Provided*, That the Administrator shall report not less often than quarterly to the Congress all contributions made pursuant to this subsection: *Provided further*, That all laborers and mechanics employed by contractors and subcontractors in the performance of construction work financed with the assistance of any contribution of Federal funds made by the Administrator under the provisions of this section shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended, and every such employee shall receive compensation at a rate not less than one and one-half times his basic rate of pay for all hours worked in any workweek in excess of eight hours in any workday or forty hours in the workweek, as the case may be. The Administrator shall make no contribution of Federal funds without first obtaining adequate assurance that these labor standards will be maintained upon the construction work. The Secretary of Labor shall have, with respect to the labor standards specified in this proviso, the authority and functions set forth in Reorganization Plan No. 14 of 1950 (15 F.R. 3176, 64 Stat. 1267, and section 2 of the Act of June 13, 1934, as amended; 48 Stat. 948, as amended).

(j) arrange for the sale or disposal of materials and facilities found by the Administrator to be unnecessary or unsuitable for civil defense purposes in the same manner as provided for excess property in the Federal Property and Administrative Services Act of 1949, as amended, and any funds received as proceeds from the sale or other disposition of such materials and facilities shall be covered into the Treasury as miscellaneous receipts.

(50 U.S.C 2281) Enacted Jan. 12, 1951, P.L. 920, sec. 201, 64 Stat.) 1248; amended Mar. 5, 1952, P.L. 268, 82d Cong., sec. 1(a), 66 Stat. 13; amended June 25, 1952, P.L. 412, 82d Cong., 66 Stat. 158; amended Aug. 2, 1956, P.L. 928, 84th Cong., sec. 1, 70 Stat. 949; amended Aug. 8, 1958, P.L. 85-606, sec. 3(a)(1), (2), (b) (c), 72 Stat. 532; amended Oct. 4, 1961, P.L. 87-390, 75 Stat. 820; amended June 30, 1964, P.L. 88-335, 78 Stat. 231.

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TITLE IV—GENERAL PROVISIONS

ADMINISTRATIVE AUTHORITY

SEC. 401. For the purpose of carrying out his powers and duties under this Act, the Administrator is authorized to—

(a) employ civilian personnel for duty in the United States, including the District of Columbia, or elsewhere, subject to the civil-service laws, and to fix the compensation of such personnel in accordance with the Classification Act of 1949, as amended;

(b) employ not more than one hundred such part-time or temporary advisory personnel (including not to exceed twenty-five subjects of the United Kingdom and the Dominion of Canada) as are deemed necessary in carrying out the provisions of this Act. Persons holding other offices or positions under the United States for which they receive compensation, while serving as members of such committees, shall receive no additional compensation for such service. Other members of such committees and other part-time or temporary advisory personnel so employed may serve without compensation or may receive compensation at a rate not to exceed $50 for each day of service, as determined by the Administrator;

(c) utilize the services of Federal agencies and, with the consent of any State or local government, accept and utilize the services of State and local civil agencies; establish and utilize such regional and other offices as may be necessary; utilize such voluntary and uncompensated services by individuals or organizations as may from time to time be needed; and authorize the States to establish and organize such individuals and organizations into units to be known collectively as the United States Civil Defense Corps: *Provided*, That the members of such corps shall not be deemed by reason of such membership to be appointees or employees of the United States;

(d) notwithstanding any other provisions of law, accept gifts of supplies, equipment, and facilities; and utilize or distribute same for civil defense purposes in accordance with the provisions of this Act:

(e) reimburse any Federal agency for any of its expeditures or for compensation of its personnel and utilization or consumption of its materials and facilities under this Act to the extent funds are available;

(f) purchase such printing, binding, and blank-book work from public, commercial, or private printing establishments or binderies as he may deem necessary upon orders placed by the Public Printer or upon waivers issued in accordance with section 12 of the Printing Act approved January 12, 1895, as amended; and

(g) prescribe such rules and regulations as may be necessary and proper to carry out any of the provisions of this Act, and, without being relieved of his responsibility therefor, perform any of the powers and duties vested in him through or with the aid of such officials of the Administration as he may designate.

(h) when, after reasonable notice and opportunity for hearing to the State, or other person, he finds that there is a failure to expend funds in accordance with the regulations, terms, and conditions established under this Act for approved civil defense plans, programs, or projects, notify such State or person that further payments will not be made to the State or person from appropriations under this Act (or from funds otherwise available for the purposes of this Act for any approved plan, program, or project with respect to which there is such failure to comply) until the Administrator is satisfied that there will no longer be any such failure. Until he is so satisfied, the Administrator shall either withhold the payment of any financial contribution to such State or person, or limit payments to those programs or projects with respect to which there is substantial compliance with the regulations, terms, and conditions governing plans, programs, or projects hereunder: *Provided*, That person as used in this subsection, means the political subdivision of any State or combination or group thereof; or any interstate civil defense authority established pursuant to subsection 201(g); or any person, corporation, association, or other entity of any nature whatsoever, including but not limited to, instrumentalities of States and political subdivisions.

(50 U.S.C. App. 2253) Enacted Jan. 12, 1951, P.L. 920, 81st Cong., sec. 401, 64 Stat. 1254; amended June 28, 1955, P.L. 94, 84th Cong., sec. 12(c)(2), 69 Stat. 180; amended Aug. 8, 1958, P.L. 85-606, sec. 5, 72 Stat. 534; amended Aug. 19, 1964, P.L. 88-448, sec. 402(a)(30), 78 Stat. 494.

EXEMPTION FROM CERTAIN PROHIBITIONS

Sec. 402. The authority granted in subsections 401 (b) and (c) shall be exercised in accordance with regulations of the President who may also provide by regulation for the exemption of persons employed or whose services are utilized under the authority of said subsections from the operation of sections 281, 283, 284, 434, and 1914 of title 18 of the United States Code and section 190 of the Revised Statutes (5 U.S.C. 99).

(50 U.S.C. App. 2254) Enacted Jan. 12, 1951, P.L. 920, 81st Cong. sec. 402, 64 Stat. 1255.

SECURITY REGULATIONS

Sec. 403. (a) The Administrator shall establish such security requirements and safeguards, including restrictions with respect to access to information and property as he deems necessary. No employee of the Administration shall be permitted to have access to information or property with respect to which access restrictions have been established under this section, until it shall have been determined that no information is contained in the files of the Federal Bureau of Investigation or any other investigative agency of the Government indicating that such employee is of questionable loyalty or reliability for security purposes, or if any such information is so disclosed, until the Federal Bureau of Investigation shall have conducted a full field investigation concerning such person and a report thereon shall have been evaluated in writing by the Administrator. No such employee shall occupy any position determined by the Administrator to be of critical importance from the standpoint of national security until a full field investigation concerning such employee shall have been conducted by the Civil Service Commission and a report thereon shall have been evaluated in writing by the Administrator. In the event such full field investigation by the Civil Service Commission develops any data reflecting that such applicant for a position of critical importance is of questionable loyalty or reliability for security purposes, or if the Administrator for any other reason shall deem it to be advisable, such investigation shall be discontinued and a report thereon shall be referred to the Administrator for his evaluation in writing. Thereafter the Administrator may refer the matter to the Federal Bureau of Investigation for the conduct of a full field investigation by such Bureau. The result of such latter investigation by such Bureau shall be furnished to the Administrator for his action.

* * * * * * *

(b) Each Federal employee of the Administration, except the subjects of the United Kingdom and the Dominion of Canada specified in section 401(b) of this Act, shall execute the loyalty oath or appointment affidavits prescribed by the Civil Service Commission. Each person other than a Federal employee who is appointed to serve in a State or local organization for civil defense shall before entering upon his duties, take an oath in writing before a person authorized to administer oaths, which oath shall be substantially as follows:

> "I, ————, do solemnly swear (or affirm) that I will support and defend the Constitution of the United States against all enemies, foreign and domestic; that I will bear true faith and allegiance to the same; that I take this obligation freely, without any mental reservation or purpose of evasion; and that I will well and faithfully discharge the duties upon which I am about to enter.
>
> "And I do further swear (or affirm) that I do not advocate, nor am I a member or an affiliate of any organization, group, or combination of persons that advocates the overthrow of the Government of the United States by force or violence; and that during such time as I am a member of the (name of civil defense organization), I will not advocate nor become a member or an affiliate of any organization, group, or combination of persons that advocates the overthrow of the Government of the United States by force or violence."

Any person who shall be found guilty of having falsely taken such oath shall be punished as provided in 18 U.S.C. 1621.

After appointment and qualification for office, the director of civil defense of any State, and any subordinate civil defense officer within such State designated by the director in writing, shall be qualified to administer any such oath within such State under such regulations director may prescribe.

(50 U.S.C. App. 2255) Enacted Jan. 12, 1951, P.L. 920, 81st Cong., sec. 403, 64 Stat. 1255; amended Mar. 5, 1952, P.L. 268, 82d Cong., 66 Stat. 13.

TRANSFERS TO ADMINISTRATION

SEC. 404. The functions, property, and personnel of the Federal Civil Defense Administration established by Executive Order Numbered 10186, issued December 1, 1950, are hereby transferred to the

Administration established by this Act, and the President may transfer to the Administration such functions, property, and personnel of the National Security Resources Board concerned with civil defense activities as he deems necessary to carry out the purposes of this Act.

(50 U.S.C. App. 2256) Enacted Jan. 12, 1951, P.L. 920, 81st Cong., sec 404, 64 Stat. 1256.

UTILIZATION OF EXISTING FACILITIES

SEC. 405. In performing his duties, the Administrator shall (1) cooperate with the various departments and agencies of the Government; (2) utilize to the maximum extent the existing facilities and resources of the Federal Government, and, with their consent, the facilities and resources of the States and local political subdivisions thereof, and of other organizations and agencies; and (3) refrain from engaging in any form of activity which would duplicate or parallel activity of any other Federal department or agency unless the Administrator, with the written approval of the President, shall determine that such duplication is necessary to accomplish the purposes of this Act.

(50 U.S.C. App. 2257) Enacted Jan. 12, 1951, P.L. 920, 81st Cong., sec. 405, 64 Stat. 1256.

ANNUAL REPORT TO CONGRESS

SEC. 406. The Administrator shall annually submit a written report to the President and the Congress covering expenditures, contributions, work, and accomplishments of the Administration, pursuant to this Act, accompanied by such recommendations as he shall deem appropriate.

(50 U.S.C. App. 2258) Enacted Jan. 12, 1951, P.L. 920, 81st Cong., sec. 406, 64 Stat. 1256.

APPLICABILITY OF ACT

SEC. 407. The provisions of this Act shall be applicable to the United States, its States, Territories and possessions, and the District of Columbia, and their political subdivisions.

(50 U.S.C. App 2259) Enacted Jan. 12, 1951, P.L. 920, 81st Cong., sec. 407, 64 Stat. 1256.

APPROPRIATIONS AND TRANSFERS OF FUNDS

SEC. 408. There are hereby authorized to be appropriated such amounts as may be necessary to carry out the provisions of this Act. Funds made available for the purposes of this Act may be allocated or transferred for any of the purposes of this Act, with the approval of the Bureau of the Budget, to any agency or Government corporation designated to assist in carrying out this Act: *Provided*, That each such allocation or transfer shall be reported in full detail to the Congress within thirty days after such allocation or transfer: *Provided further*, That appropriations for the payment of travel and per diem expenses for students under section 201 shall not exceed $300,000 per annum; appropriations for expenditures under the fourth proviso of section 201(h) (donation of radiological instruments, et cetera) shall not exceed $35,000,000 per annum; appropriations for contributions to the States for personal equipment for State and local workers, under section 201(i) shall not exceed $2,000,000 per annum; appropriations for contributions to the State for personnel and administrative expenses under section 205 shall not exceed $25,000,000 per annum.

(50 U.S.C. 2260) Enacted Jan 12, 1951, P.L. 920, 81st Congess, sec. 408, 64 Stat. 1257; amended Aug. 8, 1958, P.L. 85–606, sec. 6, 72 Stat. 534.

Educational Television

Educational Television Broadcasting Facilities

An ACT To amend the Communications Act of 1934 to establish a program of Federal matching grants for the construction of television broadcasting facilities to be used for educational purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That title III of the Communications Act of 1934 is amended by adding at the end thereof the following new part:

Part IV—Grants for Noncommercial Educational Broadcasting Facilities; Corporation for Public Broadcasting

Subpart A—Grants for Facilities

DECLARATION OF PURPOSE

Sec. 390. The purpose of this subpart is to assist (through matching grants) in the construction of noncommercial educational television or radio broadcasting facilities.

(47 U.S.C. 390) Enacted May 1, 1962, P.L. 87–447, 76 Stat. 64; amended Nov. 7, 1967, P.L. 90–129, secs. 103(a), 201(1), 81 Stat. 365, 367.

AUTHORIZATION OF APPROPRIATIONS

Sec. 391. There are authorized to be appropriated for the fiscal year ending June 30, 1963, and each of the four succeeding fiscal years such sums, not exceeding $32,000,000 in the aggregate, as may be necessary to carry out the purposes of section 390. There are also authorized to be appropriated for carrying out the purposes of such section, $10,500,000 for the fiscal year ending June 30, 1968, $12,500,000 for the fiscal year ending June 30, 1969, and $15,000,000 for the fiscal year ending June 30, 1970. There are also authorized to be appropriated for the fiscal year ending June 30, 1971, and for each of the two succeeding fiscal years, $15,000,000 per fiscal year. Sums appropriated pursuant to this section shall remain available for payment of grants for projects for which applications, approved under section 392, have been submitted under such section prior to July 1, 1974.

(47 U.S.C. 391) Enacted May 1, 1962 P.L. 87–447, 76 Stat. 65; amended Nov. 7, 1967, P.L. 90–129, sec. 10], 81 Stat. 365, amended Oct. 27, 1969, P.L. 91–97, sec. 2(a), (b), 83 Stat. 146.

GRANTS FOR CONSTRUCTION

Sec. 392. (a) For each project for the construction of noncommercial educational television or radio broadcasting facilities there shall be submitted to the Secretary an application for a grant containing such information with respect to such project as the Secretary may by regulation require, including the total cost of such project and the amount of the Federal grant requested for such project, and providing assurance satisfactory to the Secretary—

(1) that the applicant is (A) an agency or officer responsible for the supervision of public elementary or secondary education or public higher education within that State, or within a political subdivision thereof, (B) in the case of a project for television facilities, the State noncommercial educational television agency or, in the case of a project for radio facilities, the State educational radio agency, (C) a college or university deriving its support in whole or in part from tax revenues, (D) (i) in the case of a project for television facilities, a nonprofit foundation, corporation, or association which is organized primarily to engage in or encourage noncommercial educational television broadcasting and is eligible to receive a license from the Federal Communications Commission for a noncommercial educational television broadcasting station pursuant to the rules and regulations of the Commission in effect on April 12, 1962, or (ii) in the case of a project for radio facilities, a nonprofit foundation, corporation, or association which is organized primarily to engage in or encourage noncommercial educational radio broadcasting and is eligible to receive a license from the Federal Communications Commission; or meets the requirements of clause (i) and is also organized to engage in or encourage such radio broadcasting and is eligible for such a license for such a radio station, or (E) a municipality which owns and operates a broadcasting facility transmitting only noncommercial programs;

(2) that the operation of such educational broadcasting facilities will be under the control of the applicant or a person qualified under paragraph (1) to be such an applicant;

(3) that necessary funds to construct, operate, and maintain such educational broadcasting facilities will be available when needed;

(4) that such broadcasting facilities will be used only for educational purposes; and

(5) that, in the case of an application with respect to radio broadcasting facilities, there has been comprehensive planning for educational broadcasting facilities and services in the area the applicant proposes to serve and the applicant has participated in such planning, and the applicant will make the most efficient use of the frequency assignment.

(b) The total of the grants made under this part from the appropriation for any fiscal year for the construction of noncommercial educational television broadcasting facilities and noncommercial educational radio broadcasting facilities in any State may not exceed 8½ per centum of such appropriation.

(c) (1) In order to assure proper coordination of construction of noncommercial educational television broadcasting facilities within each State which has established a State educational television agency, each applicant for a grant under this section for a project for construction of such facilities in such State, other than such agency, shall notify such agency of each application for such a grant which is submitted by it to the Secretary, and the Secretary shall advise such agency with respect to the disposition of each such application.

(2) In order to assure proper coordination of construction of noncommercial educational radio broadcasting facilities within each State which has established a State educational radio agency, each applicant for a grant under this section for a project for construction of such facilities in such State, other than such agency, shall notify such agency of each application for such a grant which is submitted by it to the Secretary, and the Secretary shall advise such agency with respect to the disposition of each such application.

(d) The Secretary shall base his determinations of whether to approve applications for grants under this section and the amount of such grants on criteria set forth in regulations and designed to achieve (1) prompt and effective use of all noncommercial educational television channels remaining available, (2) equitable geographical distribution of noncommercial educational television broadcasting facilities or noncommercial educational radio broadcasting facilities, as the case may be, throughout the States, and (3) provision of noncommercial educational television broadcasting facilities or noncommercial educational radio broadcasting facilities, as the case may be, which will serve the greatest number of persons and serve them in as many areas as possible, and which are adaptable to the broadest educational uses.

(e) Upon approving any application under this section with respect to any project, the Secretary shall make a grant to the applicant in the amount determined by him, but not exceeding 75 per centum of the amount determined by the Secretary to be the reasonable and necessary cost of such project. The Secretary shall pay such amount from the sum available therefor, in advance or by way of reimbursement, and in such installments consistent with construction progress, as he may determine.

(f) If, within ten years after completion of any project for construction of educational television or radio broadcasting facilities with respect to which a grant has been made under this section—

(1) the applicant or other owner of such facilities ceases to be an agency, officer, institution, foundation, corporation, or association described in subsection (a)(1), or

(2) such facilities cease to be used for noncommercial educational television purposes or noncommercial educational radio purposes, as the case may be (unless the Secretary determines, in accordance with regulations, that there is good cause for releasing the applicant or other owner from the obligation so to do),

the United States shall be entitled to recover from the applicant or other owner of such facilities the amount bearing the same ratio to the then value (as determined by agreement of the parties or by action brought in the United States district court for the district in which such facilities are situated) of such facilities, as the amount of the Federal participation bore to the cost of construction of such facilities.

(47 U.S.C. 392) Enacted May 1, 1962, P.L. 87-447, 76 Stat. 65; amended Nov. 7, 1967, P.L. 90-129, secs. 102, 103(b), (c), (d), (e), 104, 81 Stat. 365-367.

RECORDS

SEC. 393. (a) Each recipient of assistance under this subpart shall keep such records as may be reasonably necessary to enable the Secretary to carry out his functions under this subpart, including records which fully disclose the amount and the disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount and nature of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(b) The Secretary and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient that are pertinent to assistance received under this subpart.

(47 U.S.C. 393) Enacted May 1, 1962, P.L. 87–447, 76 Stat. 66; amended Nov. 7, 1967, P.L. 90–129, sec. 201 (2), 81 Stat. 367.

RULES AND REGULATIONS

Sec. 394. The Secretary is authorized to make such rules and regulations as may be necessary to carry out this subpart, including regulations relating to the order of priority in approving applications for projects under section 392 or to determining the amounts of grants for such projects.

(47 U.S.C. 394) Enacted May [illegible] P.L. 87–447 as sec. 396; redesignated sec. 394 and amended Nov. 7, 1967 by P.L. [illegible]–447, sec. 201(2), (4), 81 Stat. 367.

PROVISION OF ASSISTANCE BY FEDERAL COMMUNICATIONS COMMISSION

Sec. 395. The Federal Communications Commission is authorized to provide such assistance in carrying out the provisions of this subpart as may be requested by the Secretary. The Secretary shall provide for consultation and close cooperation with the Federal Communications Commission in the administration of his functions under this subpart which are of interest to or affect the functions of the Commission.

(47 U.S.C. 395) Enacted May 1, 1962, P.L. 87–447, 76 Stat. 67; amended Nov. 7, 1967, P.L. 87–447, sec. 201(2), 81 Stat. 367.

Subpart B—Corporation for Public Broadcasting

Congressional Declaration of Policy

Sec. 396. (a) The Congress hereby finds and declares—

(1) that it is in the public interest to encourage the growth and development of noncommercial educational radio and television broadcasting, including the use of such media for instructional purposes;

(2) that expansion and development of noncommercial educational radio and television broadcasting and of diversity of its programing depend on freedom, imagination, and initiative on both the local and national levels;

(3) that the encouragement and support of noncommercial educational radio and television broadcasting, while matters of importance for private and local development, are also of appropriate and important concern to the Federal Government;

(4) that it furthers the general welfare to encourage noncommercial educational radio and television broadcast programing

which will be responsive to the interests of people both in particular localities and throughout the United States, and which will constitute an expression of diversity and excellence;

(5) that it is necessary and appropriate for the Federal Government to complement, assist, and support a national policy that will most effectively make noncommercial educational radio and television service available to all the citizens of the United States;

(6) that a private corporation should be created to facilitate the development of educational radio and television broadcasting and to afford maximum protection to such broadcasting from extraneous interference and control.

Corporation Established

(b) There is authorized to be established a nonprofit corporation, to be known as the "Corporation for Public Broadcasting", which will not be an agency or establishment of the United States Government. The Corporation shall be subject to the provisions of this section, and, to the extent consistent with this section, to the District of Columbia Nonprofit Corporation Act.

Board of Directors

(c)(1) The Corporation shall have a Board of Directors (hereinafter in this section referred to as the 'Board'), consisting of fifteen members appointed by the President, by and with the advice and consent of the Senate. Not more than eight members of the Board may be members of the same political party.

(2) The members of the Board (A) shall be selected from among citizens of the United States (not regular fulltime employees of the United States) who are eminent in such fields as education, cultural and civic affairs, or the arts, including radio and television; (B) shall be selected so as to provide as nearly as practicable a broad representation of various regions of the country, various professions and occupations, and various kinds of talent and experience appropriate to the functions and responsibilities of the Corporation.

(3) The members of the initial Board of Directors shall serve as incorporators and shall take whatever actions are necessary to establish the Corporation under the District of Columbia Nonprofit Corporation Act.

(4) The term of office of each member of the Board shall be six years; except that (A) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed for the remainder of such term; and (B) the terms of office of members first taking office shall begin on the date of incorporation and shall expire, as designated at the time of their appointment, five at the end of two years, five at the end of four years, and five at the end of six years. No member shall be eligible to serve in excess of two consecutive terms of six years each. Notwithstanding the preceding provisions of this paragraph, a member whose term has expired may serve until his successor has qualified.

(5) Any vacancy in the Board shall not affect its power, but shall be filled in the manner in which the original appointments were made.

Election of Chairman; Compensation

(d)(1) The President shall designate one of the members first appointed to the Board as Chairman; thereafter the members of the Board shall annually elect one of their number as Chairman. The members of the Board shall also elect one or more of them as a Vice Chairman or Vice Chairmen.

(2) The members of the Board shall not, by reason of such membership, be deemed to be employees of the United States. They shall, while attending meetings of the Board or while engaged in duties related to such meetings or in other activities of the Board pursuant to this subpart be entitled to receive compensation at the rate of $100 per day including travel time, and while away from their homes or regular places of business they may be allowed travel expenses, including per diem in lieu of subsistence, equal to that authorized by law (5 U.S.C. 5703) for persons in the Government service employed intermittently.

Officers and Employees

(e)(1) The Corporation shall have a President, and such other officers as may be named and appointed by the Board for terms and at rates of compensation fixed by the Board. No individual other than a citizen of the United States may be an officer of the Corporation. No officer of the Corporation, other than the Chairman and any Vice Chairman, may receive any salary or other compensation from any source other than the Corporation during the period of his employment by the Corporation. All officers shall serve at the pleasure of the Board.

(2) Except as provided in the second sentence of subsection (c)(1) of this section, no political test or qualification shall be used in selecting, appointing, promoting, or taking other personnel actions with respect to officers, agents, and employees of the Corporation.

Nonprofit and Nonpolitical Nature of the Corporation

(f)(1) The Corporation shall have no power to issue any shares of stock, or to declare or pay any dividends.

(2) No part of the income or assets of the Corporation shall inure to the benefit of any director, officer, employee, or any other individual except as salary or reasonable compensation for services.

(3) The Corporation may not contribute to or otherwise support any political party or candidate for elective public office.

Purposes and Activities of the Corporation

(g)(1) In order to achieve the objectives and to carry out the purposes of this subpart, as set out in subsection (a), the Corporation is authorized to—

(A) facilitate the full development of educational broadcasting in which programs of high quality, obtained from diverse sources, will be made available to noncommercial educational television or radio broadcast stations, with strict adherence to objectivity and balance in all programs or series of programs of a controversial nature;

(B) assist in the establishment and development of one or more systems of interconnection to be used for the distribution of educational television or radio programs so that all noncommercial educational television or radio broadcast stations that wish to may broadcast the programs at times chosen by the stations;

(C) assist in the establishment and development of one or more systems of noncommercial educational television or radio broadcast stations throughout the United States;

(D) carry out its purposes and functions and engage in its activities in ways that will most effectively assure the maximum freedom of the noncommercial educational television or radio broadcast systems and local stations from interference with or control of program content or other activities.

(2) Included in the activities of the Corporation authorized for accomplishment of the purposes set forth in subsection (a) of this section, are, among others not specifically named—

(A) to obtain grants from and to make contracts with individuals and with private, State, and Federal agencies, organizations, and institutions;

(B) to contract with or make grants to program production entities, individuals, and selected noncommercial educational broadcast stations for the production of, and otherwise to procure, educational television or radio programs for national or regional distribution to noncommercial educational broadcast stations;

(C) to make payments to existing and new noncommercial educational broadcast stations to aid in financing local educational television or radio programing costs of such stations, particularly innovative approaches thereto, and other costs of operation of such stations;

(D) to establish and maintain a library and archives of noncommercial educational television or radio programs and related materials and develop public awareness of and disseminate information about noncommercial educational television or radio broadcasting by various means, including the publication of a journal;

(E) to arrange, by grant or contract with appropriate public or private agencies, organizations, or institutions, for interconnection facilities suitable for distribution and transmission of educational television or radio programs to noncommercial educational broadcast stations;

(F) to hire or accept the voluntary services of consultants, experts, advisory boards, and panels to aid the Corporation in carrying out the purposes of this section;

(G) to encourage the creation of new noncommercial educational broadcast stations in order to enhance such service on a local, State, regional, and national basis;

(H) conduct (directly or through grants or contracts) research, demonstrations, or training in matters related to noncommercial educational television or radio broadcasting.

(3) To carry out the foregoing purposes and engage in the foregoing activities, the Corporation shall have the usual powers conferred upon a nonprofit corporation by the District of Columbia Nonprofit

Corporation Act, except that the Corporation may not own or operate any television or radio broadcast station, system, or network, community antenna television system, or interconnection or program production facility.

Authorization for Free or Reduced Rate Interconnection Service

(h) Nothing in the Communications Act of 1934, as amended, or in any other provision of law shall be construed to prevent United States communications common carriers from rendering free or reduced rate communications interconnection services for noncommercial educational television or radio services, subject to such rules and regulations as the Federal Communications Commission may prescribe.

Report to Congress

(i) The Corporation shall submit an annual report for the preceding fiscal year ending June 30 to the President for transmittal to the Congress on or before the 31st day of December of each year. The report shall include a comprehensive and detailed report of the Corporation's operations, activities, financial condition, and accomplishments under this section and may include such recommendations as the Corporation deems appropriate.

Right To Repeal, Alter, or Amend

(j) The right to repeal, alter, or amend this section at any time is expressly reserved.

Financing

(k)(1) There are authorized to be appropriated for expenses of the Corporation for the fiscal year ending June 30, 1968, the sum of $9,000,000, and for the next fiscal year the sum of $20,000,000 to remain available until expended.

(2) Notwithstanding the preceding provisions of this section, no grant or contract pursuant to this section may provide for payment from the appropriation for the fiscal year ending June 30, 1969, or the next fiscal year for any one project or to any one station of more than $250,000.

Records and Audit

(l)(1)(A) The accounts of the Corporation shall be audited annually in accordance with generally accepted auditing standards by independent certified public accountants or independent licensed public accountants certified or licensed by a regulatory authority of a State or other political subdivision of the United States. The audits shall be conducted at the place or places where the accounts of the Corporation are normally kept. All books, accounts, financial records, reports, files, and all other papers, things, or property belonging to or in use by the Corporation and necessary to facilitate the audits shall be made available to the person or persons conducting the audits; and full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents and custodians shall be afforded to such person or persons.

(B) The report of each such independent audit shall be included in the annual report required by subsection (i) of this section. The audit report shall set forth the scope of the audit and include such statements as are necessary to present fairly the Corporation's assets and liabilities, surplus or deficit, with an analysis of the changes therein during the year, supplemented in reasonable detail by a statement of the Corporation's income and expenses during the year, and a statement of the sources and application of funds, together with the independent auditor's opinion of those statements.

(2) (A) The financial transactions of the Corporation for any fiscal year during which Federal funds are available to finance any portion of its operations may be audited by the General Accounting Office in accordance with the principles and procedures applicable to commercial corporate transactions and under such rules and regulations as may be prescribed by the Comptroller General of the United States. Any such audit shall be conducted at the place or places where accounts of the Corporation are normally kept. The representative of the General Accounting Office shall have access to all books, accounts, records, reports, files, and all other papers, things, or property belonging to or in use by the Corporation pertaining to its financial transactions and necessary to facilitate the audit, and they shall be afforded full facilities for verifying transactions with the balances or securities held by depositories, fiscal agents, and custodians. All such books, accounts, records, reports, files, papers and property of the Corporation shall remain in possession and custody of the Corporation.

(B) A report of each such audit shall be made by the Comptroller General to the Congress. The report to the Congress shall contain such comments and information as the Comptroller General may deem necessary to inform Congress of the financial operations and condition of the Corporation, together with such recommendations with respect thereto as he may deem advisable. The report shall also show specifically any program, expenditure, or other financial transaction or undertaking observed in the course of the audit, which, in the opinion of the Comptroller General, has been carried on or made without authority of law. A copy of each report shall be furnished to the President, to the Secretary, and to the Corporation at the time submitted to the Congress.

(3) (A) Each recipient of assistance by grant or contract, other than a fixed price contract awarded pursuant to competitive bidding procedures, under this section shall keep such records as may be reasonably necessary to fully disclose the amount and the disposition by such recipient of the proceeds of such assistance, the total cost of the project or undertaking in connection with which such assistance is given or used, and the amount and nature of that portion of the cost of the project or undertaking supplied by other sources, and such other records as will facilitate an effective audit.

(B) The Corporation or any of its duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient that are pertinent to assistance received under this section. The Comptroller General of the United States or any of his duly authorized representatives shall also have access thereto for such purpose during any fiscal year for which Federal funds are available to the Corporation.

(47 U.S.C. 396). Enacted Nov. 7, 1967, P.L. 90-129, sec. 201(9), 81 Stat. 368-373; amended Oct. 27, 1969, P.L. 91-97, sec. 3 (a), (b), 83 Stat. 146.

SUBPART C—GENERAL

DEFINITIONS

SEC. 397. For the purposes of this part—

(1) The term "State" includes the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa, and the Trust Territory of the Pacific Islands.

(2) The term "construction," as applied to educational television broadcasting facilities or educational radio broadcasting facilities means the acquisition and installation of transmission apparatus (including towers, microwave equipment, boosters, translators, repeaters, mobile equipment, and video-recording equipment) necessary for television broadcasting or radio broadcasting, as the case may be, including apparatus which may incidentally be used for transmitting closed circuit television programs, but does not include the construction or repair of structures to house such apparatus. In the case of apparatus the acquisition and installation of which is so included, such term also includes planning therefor.

(3) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(4) The terms "State educational television agency" and "State educational radio agency" mean, with respect to television broadcasting and radio broadcasting, respectively, (A) a board or commission established by State law for the purpose of promoting such broadcasting within a State, (B) a board or commission appointed by the Governor of a State for such purpose if such appointment is not inconsistent with State law, or (C) a State officer or agency responsible for the supervision of public elementary or secondary education or public higher education within the State which has been designated by the Governor to assume responsibility for the promotion of such broadcasting; and, in the case of the District of Columbia, the term "Governor" means the Board of Commissioners of the District of Columbia, and, in the case of the Trust Territory of the Pacific Islands, means the High Commissioner thereof.

(5) The term "nonprofit" as applied to any foundation, corporation, or association, means a foundation, corporation, or association, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(6) The term "Corporation" means the Corporation authorized to be established by subpart B of this part.

(7) The term "noncommercial educational broadcast station" means a television or radio broadcast station, which (A) under the rules and regulations of the Federal Communications Commission in effect on the date of enactment of the Public Broadcasting Act of 1967, is eligible to be licensed or is licensed by the Commission as a noncommercial

educational radio or television broadcast station and which is owned and operated by a public agency or nonprofit private foundation, corporation, or association or (B) is owned and operated by a municipality and which transmits only noncommercial programs for educational purposes.

(8) The term "interconnection" means the use of microwave equipment, boosters, translators, repeaters, communication space satellites, or other apparatus or equipment for the transmission and distribution of television or radio programs to noncommercial educational television or radio broadcast stations.

(9) The term "educational television or radio programs" means programs which are primarily designed for educational or cultural purposes.

(47 U.S.C. 397) Enacted May 1, 1962, P.L. 87–447, 76 Stat. 67 as sec. 394; redesignated sec. 397 and amended Nov. 7, 1967 by P.L. 90–129, secs. 103(f), 105, 106, 201 (3), (6), 81 Stat. 366–368.

FEDERAL INTERFERENCE OR CONTROL PROHIBITED

Sec. 398. Nothing contained in this part shall be deemed (1) to amend any other provision of, or requirement under this Act; or (2) to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over educational television or radio broadcasting, or over the Corporation or any of its grantees or contractors, or over the charter or bylaws of the Corporation, or over the curriculum, program of instruction, or personnel of any educational institution, school system, or educational broadcasting station or system.

(47 U.S.C. 398) Enacted May 1, 1962, P.L. 87–447, 76 Stat. 67 as sec. 394; redesignated sec. 398 and amended Nov. 7, 1967, by P.L. 90–129, secs. 103(g), 202(3), (5), 81 Stat. 367, 368.

EDITORIALIZING AND SUPPORT OF POLITICAL CANDIDATES PROHIBITED

Sec. 399. No noncommercial educational broadcasting station may engage in editorializing or may support or oppose any candidate for political office.

(47 U.S.C. 399) Enacted Nov. 7, 1967, P.L. 90–129, sec. 201(8), 81 Stat. 368.

Public Broadcasting Act of 1967

(P.L. 90–129)

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TITLE III—STUDY OF EDUCATIONAL AND INSTRUCTIONAL BROADCASTING

STUDY AUTHORIZED

Sec. 301. The Secretary of Health, Education, and Welfare is authorized to conduct, directly or by contract, and in consultation with other interested Federal agencies, a comprehensive study of instructional television and radio (including broadcast, closed circuit, community antenna television, and instructional television fixed services and two-way communication of data links and computers) and their relationship to each other and to instructional materials such as videotapes, films, discs, computers, and other educational materials or devices, and such other aspects thereof as may be of assistance in determining whether and what Federal aid should be provided for instructional radio and television and the form that aid should take, and which may aid communities, institutions, or agencies in determining whether and to what extent such activities should be used.

DURATION OF STUDY

SEC. 302. The study authorized by this title shall be submitted to the President for transmittal to the Congress on or before June 30, 1969.

APPROPRIATION

SEC. 303. There are authorized to be appropriated for the study authorized by this title such sums, not exceeding $500,000, as may be necessary.

LEGISLATIVE HISTORY

(P.L. 87–477)

House Report: No. 1609 (committee of conference).
Senate Report: No. 67 accompanying S. 205 (Committee on Commerce).
Congressional Record: volume 108:
March 21, 1961: Senate amended and passed.
March 7, 1962: House amended and passed.
April 16, 1962: Senate agreed to conference report.
April 18, 1962: House agreed to conference report.
Approved: May 1, 1962.

(P.L. 90–129)

House Reports: No. 572 accompanying H.R. 6736 (Committee on Interstate and Foreign Commerce) and No. 794 (committee of conference).
Senate Report No. 222 (Committee on Commerce).
Congressional Record, volume 113 (1967):
May 17: Considered and passed Senate.
September 21: Considered and passed House, amended, in lieu of H.R. 6736.
October 19: House agreed to conference report.
October 26: Senate agreed to conference report.
Approved: November 7, 1967.

PART X—EDUCATION AND TRAINING OF THE HANDICAPPED

EDUCATION OF THE HANDICAPPED ACT[1]

PART A—GENERAL PROVISIONS

SHORT TITLE

SEC. 601. This title may be cited as the "Education of the Handicapped Act".

DEFINITION

SEC. 602. As used in this title—

(1) The term "handicapped children" means mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed, crippled, or other health impaired children who by reason thereof require special education and related services.

(2) The term "Commissioner" means the Commissioner of Education.

(3) The term "Advisory Committee" means the National Advisory Committee on Handicapped Children.

(4) The term "construction", except where otherwise specified, means (A) erection of new or expansion of existing structures, and the acquisition and installation of equipment therefor; or (B) acquisition of existing structures not owned by any agency or institution making application for assistance under this title; or (C) remodeling or alteration (including the acquisition, installation, modernization, or replacement of equipment) of existing structures; or (D) acquisition of land in connection with the activities in clauses (A), (B), and (C); or (E) a combination of any two or more of the foregoing.

(5) The term "equipment" includes machinery, utilities, and built-in equipment and any necessary enclosures or structures to house them, and includes all other items necessary for the functioning of a particular facility as a facility for the provision of educational services, including items such as instructional equipment and necessary furniture, printed, published, and audio-visual instructional materials, and books, periodicals, documents, and other related materials.

(6) The term "State" means each of the several States, the District of Columbia, the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands and the Trust Territory of the Pacific Islands.

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[1] Public Law 89-750 amended the Elementary and Secondary Education Act of 1965 by adding a new title VI; effective July 1, 1971, this act (P.L. 91-230) replaces title VI. Also as of July 1, 1971, the Education of the Handicapped Act will supersede the following: P.L. 90-538, Handicapped Children's Early Education Assistance Act; P.L. 85-926, Grants for Teaching in the Education of Handicapped Children; P.L. 88-164, titles III and V of the Mental Retardation Facilities and Community Mental Centers Construction Act of 1963; and P.L. 85-905, Instructional Media for Handicapped Children.

(7) The term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the Governor or by State law.

(8) The term "local educational agency" means a public board of education or other public authority legally constituted within a State for either administrative control or direction of, or to perform a service function for public elementary or secondary schools in a city, county, township, school district, or other political subdivision of a State, or such combination of school districts or counties as are recognized in a State as an administrative agency for its public elementary or secondary schools. Such term also includes any other public institution or agency having administrative control and direction of a public elementary or secondary school.

(9) The term "elementary school" means a day or residential school which provides elementary education, as determined under State law.

(10) The term "secondary school" means a day or residential school which provides secondary education, as determined under State law, except that it does not include any education provided beyond grade 12.

(11) The term "institution of higher education" means an educational institution in any State which—

(A) admits as regular students only individuals having a certificate of graduation from a high school, or the recognized equivalent of such a certificate;

(B) is legally authorized within such State to provide a program of education beyond high school;

(C) provides an educational program for which it awards a bachelor's degree, or provides not less than a two-year program which is acceptable for full credit toward such a degree, or offers a two-year program in engineering, mathematics, or the physical or biological sciences which is designed to prepare the student to work as a technician and at a semiprofessional level in engineering, scientific, or other technological fields which require the understanding and application of basic engineering, scientific, or mathematical principles or knowledge;

(D) is a public or other nonprofit institution; and

(E) is accredited by a nationally recognized accrediting agency or association listed by the Commissioner pursuant to this paragraph or, if not so accredited, is an institution whose credits are accepted, on transfer, by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited: *Provided, however*, That in the case of an institution offering a two-year program in engineering, mathematics, or the physical or biological sciences which is designed to prepare the student to work as a technician and at a semiprofessional level in engineering, scientific, or technological fields which require the understanding and application of basic engineering, scientific, or mathematical principles or knowledge, if the Commissioner determines that there is no nationally recognized accrediting agency or association qualified to accredit such institutions, he shall appoint an advisory committee, composed of persons specially qualified to evaluate training provided by such institutions, which shall prescribe the standards of content, scope, and quality which must be met in order to qualify such institutions to participate under this Act and shall also determine whether particular institutions meet such standards. For the purposes of this paragraph the Commissioner shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of education or training offered.

(12) The term "nonprofit" as applied to a school, agency, organization, or institution means a school, agency, organization, or institution owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(13) The term "research and related purposes" means research, research training (including the payment of stipends and allowances), surveys, or demonstrations in the field of education of handicapped children, or the dissemination of information derived therefrom, including (but without limitation) experimental schools.

(14) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(15) The term "children with specific learning disabilities" means those children who have a disorder in one or more of the basic psychological processes involved in understanding or in using language, spoken or written, which disorder may manifest itself in imperfect ability to listen, think, speak, read, write, spell, or do mathematical calculations. Such disorders include such conditions as perceptual handicaps, brain injury, minimal brain dysfunction, dyslexia, and developmental aphasia. Such term does not include children who have learning problems which are primarily the result of visual, hearing, or motor handicaps, of mental retardation, of emotional disturbance, or of environmental disadvantage.

(20 U.S.C. 1401) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 602, 84 Stat. 175.

BUREAU FOR EDUCATION AND TRAINING OF THE HANDICAPPED

Sec. 603. There shall be, within the Office of Education, a bureau for the education and training of the handicapped which shall be the principal agency in the Office of Education for administering and carrying out programs and projects relating to the education and training of the handicapped, including programs and projects for the training of teachers of the handicapped and for research in such education and training.

(20 U.S.C. 1402) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 603, 84 Stat. 177.

NATIONAL ADVISORY COMMITTEE ON HANDICAPPED CHILDREN

Sec. 604. (a) The Commissioner shall establish in the Office of Education a National Advisory Committee on Handicapped Children, consisting of fifteen members, appointed by the Commissioner. At least eight of such members shall be persons affiliated with educational, training, or research programs for the handicapped.

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(b) The Advisory Committee shall review the administration and operation of the programs authorized by this title and other provisions of law administered by the Commissioner with respect to handicapped children, including their effect in improving the educational attainment of such children, and make recommendations for the improvement of such administration and operation with respect to such children. Such recommendations shall take into consideration experience gained under this and other Federal programs for handicapped children and, to the extent appropriate, experience gained under other public and private programs for handicapped children. The Advisory Committee shall from time to time make such recommendations as it may deem appropriate to the Commissioner and shall make an annual report of its findings and recommendations to the Commissioner not later than March 31 of each year. The Commissioner shall transmit each such report to the Secretary together with his comments and recommendations, and the Secretary shall transmit such report, comments, and recommendations to the Congress together with any comments or recommendations he may have with respect thereto.

(20 U.S.C. 1403) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 604, 84 Stat. 177.

ACQUISITION OF EQUIPMENT AND CONSTRUCTION OF NECESSARY FACILITIES

SEC. 605. (a) In the case of any program authorized by this title, if the Commissioner determines that such program will be improved by permitting the funds authorized for such program to be used for the acquisition of equipment and the construction of necessary facilities, he may authorize the use of such funds for such purposes.

(b) If within twenty years after the completion of any construction (except minor remodeling or alteration) for which funds have been paid pursuant to a grant or contract under this title the facility constructed ceases to be used for the purposes for which it was constructed, the United States, unless the Secretary determines that there is good cause for releasing the recipient of the funds from its obligation, shall be entitled to recover from the applicant or other owner of the facility an amount which bears the same ratio to the then value of the facility as the amount of such Federal funds bore to the cost of the portion of the facility financed with such funds. Such value shall be determined by agreement of the parties or by action brought in the United States district court for the district in which the facility is situated.

(20 U.S.C. 1404) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 605, 84 Stat. 177.

PART B—ASSISTANCE TO STATES FOR EDUCATION OF HANDICAPPED CHILDREN

AUTHORIZATION

SEC. 611. (a) The Commissioner is authorized to make grants pursuant to the provisions of this part for the purpose of assisting the States in the initiation, expansion, and improvement of programs and projects for the education of handicapped children at the preschool, elementary school, and secondary school levels.

(b) For the purpose of making grants under this part there is authorized to be appropriated $200,000,000 for the fiscal year ending June 30, 1971, $210,000,000 for the fiscal year ending June 30, 1972, and $220,000,000 for the fiscal year ending June 30, 1973.

(20 U.S.C. 1411) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 611 84 Stat. 178.

ALLOTMENT OF FUNDS

SEC. 612. (a)(1) There is hereby authorized to be appropriated for each fiscal year for the purposes of this paragraph an amount equal to not more than 3 per centum of the amount appropriated for such year for payments to States under section 611(b). The Commissioner shall allot the amount appropriated pursuant to this paragraph among—

(A) Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands, according to their respective needs, and

(B) for each fiscal year ending prior to July 1, 1972, the Secretary of the Interior, according to the need for such assistance for the education of handicapped children on reservations serviced by elementary and secondary schools operated for Indian children by the Department of the Interior and the terms upon which payments for such purposes shall be made to the Secretary of the Interior shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this part.

(2) From the total amount appropriated pursuant to section 611(b) for any fiscal year the Commissioner shall allot to each State an amount which bears the same ratio to such amount as the number of children aged three to twenty-one, inclusive, in the State bears to the number of such children in all the States, except that no State shall be allotted less than $200,000 or three-tenths of 1 per centum of such amount available for allotment to the States, whichever is greater. For purposes of this paragraph and subsection (b), the term "State" shall not include the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands.

(b) The number of children aged three to twenty-one, inclusive, in any State and in all the States shall be determined, for purposes of this section, by the Commissioner on the basis of the most recent satisfactory data available to him.

(c) The amount of any State's allotment under subsection (a) for any fiscal year which the Commissioner determines will not be required for that year shall be available for reallotment, from time to time and on such dates during such year as the Commissioner may fix, to other States in proportion to the original allotments to such States under subsection (a) for that year, but with such proportionate amount for any of such other States being reduced to the extent it exceeds the sum the Commissioner estimates such State needs and will be able to use for such year; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount reallotted to a State under this subsection during a year shall be deemed part of its allotment under subsection (a) for that year.

(20 U.S.C. 1412) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 612 84 Stat. 178.

STATE PLANS

SEC. 613. (a) Any State which desires to receive grants under this part shall submit to the Commissioner through its State educational agency a State plan (not part of any other plan) in such detail as the Commissioner deems necessary. Such State plan shall—

(1) set forth such policies and procedures as will provide satisfactory assurance that funds paid to the State under this part will be expended (A) either directly or through individual, or combinations of, local educational agencies, solely to initiate, expand, or improve programs and projects, including preschool programs and projects, (i) which are designed to meet the special educational and related needs of handicapped children throughout the State, and (ii) which are of sufficient size, scope, and quality (taking into consideration the special educational needs of such children) as to give reasonable promise of substantial progress toward meeting those needs, and (B) for the proper and efficient administration of the State plan (including State leadership activities and consultative services), and for planning on the State and local level: *Provided*, That the amount expended for such administration and planning shall not exceed 5 per centum of the amount allotted to the State for any fiscal year or $100,000 ($35,000 in the case of the Commonwealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands), whichever is greater;

(2) provide satisfactory assurance, that to the extent consistent with the number and location of handicapped children in the State who are enrolled in private elementary and secondary schools, provision will be made for participation of such children in programs assisted or carried out under this part;

(3) provide satisfactory assurance that the control of funds provided under this part, and title to property derived therefrom, shall be in a public agency for the uses and purposes provided in this part, and that a public agency will administer such funds and property;

(4) set forth policies and procedures which provide satisfactory assurance that Federal funds made available under this part will be so used as to supplement and, to the extent practical, increase the level of State, local, and private funds expended for the education of handicapped children, and in no case supplant such State, local and private funds;

(5) provide that effective procedures, including provision for appropriate objective measurements of educational achievement, will be adopted for evaluating at least annually the effectiveness of the programs in meeting the special educational needs of, and providing related services for, handicapped children;

(6) provide that the State educational agency will be the sole agency for administering or supervising the administration of the plan;

(7) provide for (A) making such reports, in such form and containing such information, as the Commissioner may require to carry out his functions under this part, including reports of the objective measurements required by clause (5) of this subsection, and (B) keeping such records and for affording such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports and proper disbursement of Federal funds under this part;

(8) provide satisfactory assurance that such fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of, and accounting for, Federal funds paid under this part to the State, including any such funds paid by the State to local educational agencies;

(9) provide satisfactory assurance that funds paid to the State under this part shall not be made available for handicapped children eligible for assistance under section 103(a)(5) of title I of the Elementary and Secondary Education Act of 1965;

(10) provide satisfactory assurance that effective procedures will be adopted for acquiring and disseminating to teachers of, and administrators of programs for, handicapped children significant information derived from educational research, demonstration, and similar projects, and for adopting, where appropriate, promising educational practices developed through such projects; and

(11) contain a statement of policies and procedures which will be designed to insure that all education programs for the handicapped in the State will be properly coordinated by the persons in charge of special education programs for handicapped children in the State educational agency.

(b) The Commissioner shall approve any State plan which he determines meets the requirements and purposes of this part.

(c)(1) The Commissioner shall not approve any State plan pursuant to this section for any fiscal year unless the plan has, prior to its submission, been made public as a separate document by the State educational agency and a reasonable opportunity has been given by that agency for comment thereon by interested persons (as defined by regulation). The State educational agency shall make public the plan as finally approved. The Commissioner shall not finally disapprove any plan submitted under this section or any modification thereof, without first affording the State educational agency submitting the plan reasonable notice and opportunity for a hearing.

(2) Whenever the Commissioner, after reasonable notice and opportunity for hearing to such State agency, finds—

(A) that the State plan has been so changed that it no longer complies with the provisions of this part, or

(B) that in the administration of the plan there is a failure to comply substantially with any such provision or with any requirements set forth in the application of a local educational agency approved pursuant to such plan, the Commissioner shall notify the agency that further payments will not be made to the State under this part (or in his discretion, that further payments to the State will be limited to programs or projects under the State plan, or portions thereof, not affected by the failure, or that the State educational agency shall not make further payments under this part to specified local agencies affected to the failure) until he is satisfied that there is no longer any such failure to comply. Until he is so satisfied, the Commissioner shall make no further payments to the State under this part (or shall limit payments to programs or projects under, or parts of, the State plan not affected by the failure, or payments by the State educational agency under this part shall be limited to local educational agencies not affected by the failure, as the case may be).

(d)(1) If any State is dissatisfied with the Commissioner's final action with respect to the approval of its State plan submitted under subsection (a) or with his final action under subsection (c), such State may, within sixty days after notice of such action, file with the United States court of appeals for the circuit in which such State is located a petition for review of that action. A copy of the petition shall be forthwith transmitted by the clerk of the court to the Commissioner. The Commissioner thereupon shall file in the court the record of the proceedings on which he based his action, as provided in section 2112 of title 28, United States Code.

(2) The findings of fact by the Commissioner, if supported by substantial evidence, shall be conclusive; but the court, for good cause shown, may remand the case to the Commissioner to take further evidence, and the Commissioner may thereupon make new or modified findings of fact and may modify his previous action, and shall certify to the court the record of the further proceedings. Such new or modified findings of fact shall likewise be conclusive if supported by substantial evidence.

(3) The court shall have jurisdiction to affirm the action of the Commissioner or to set it aside, in whole or in part. The judgment of the court shall be subject to review by the Supreme Court of the United States upon certiorari or certification as provided in section 1254 of title 28, United States Code.

(20 U.S.C. 1413) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 613, 84 Stat. 179.

PAYMENTS

Sec. 614. From the amounts allotted to each State under this part, the Commissioner shall pay to that State an amount equal to the amount expended by the State in carrying out its State plan.

(20 U.S.C. 1414) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 614, 84 Stat. 181.

Part C—Centers and Services To Meet Special Needs of the Handicapped

REGIONAL RESOURCE CENTERS

Sec. 621. (a) The Commissioner is authorized to make grants to or contracts with institutions of higher education, State educational agencies, or combinations of such agencies or institutions, which combinations may include one or more local educational agencies, within particular regions of the United States, to pay all or part of the cost of the establishment and operation of regional centers which will develop and apply the best methods of appraising the special educational needs of handicapped children referred to them and will provide other services to assist in meeting such needs. Centers established or operated under this section shall (1) provide testing and educational evaluation to determine the special educational needs of handicapped children referred to such centers, (2) develop educational programs to meet those needs, and (3) assist schools and other appropriate agencies, organizations, and institutions in providing such educational programs through services such as consultation (including, in appropriate cases, consultation with parents or teachers of handicapped children at such regional centers), periodic reexamination and reevaluation of special educational programs, and other technical services.

(b) In determining whether to approve an application for a project under this section, the Commissioner shall consider the need for such a center in the region to be served by the applicant and the capability of the applicant to develop and apply, with the assistance of funds under this section, new methods, techniques, devices, or facilities relating to educational evaluation or education of handicapped children.

(20 U.S.C. 1421) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 621, 84 Stat. 181.

CENTERS AND SERVICES FOR DEAF-BLIND CHILDREN

SEC. 622. (a) It is the purpose of this section to provide, through a limited number of model centers for deaf-blind children, a program designed to develop and bring to bear upon such children, beginning as early as feasible in life, those specialized, intensive professional and allied services, methods, and aids that are found to be most effective to enable them to achieve their full potential for communication with, and adjustment to, the world around them, for useful and meaningful participation in society, and for self-fulfillment.

(b) The Commissioner is authorized, upon such terms and conditions (subject to the provisions of subsection (b)(1) of this section) as he deems appropriate to carry out the purposes of this section, to make grants to or contracts with public or nonprofit private agencies, organizations, or institutions to pay all or part of the cost of establishment, including construction, which for the purposes of this section shall include the construction of residential facilities, and operation of centers for deaf-blind children.

(c) In determining whether to make a grant or contract under subsection (b), the Commissioner shall take into consideration the need for a center for deaf-blind children in the light of the general availability and quality of existing services for such children in the part of the country involved.

(d)(1) A grant or contract pursuant to subsection (b) shall be made only if the Commissioner determines that there is satisfactory assurance that the center will provide such services as he has by regulation prescribed, including at least—

(A) comprehensive diagnostic and evaluative services for deaf-blind children;

(B) a program for the adjustment, orientation, and education of deaf-blind children which integrates all the professional and allied services necessary therefor; and

(C) effective consultative services for parents, teachers, and others who play a direct role in the lives of deaf-blind children to enable them to understand the special problems of such children and to assist in the process of their adjustment, orientation, and education.

(2) Any such services may be provided to deaf-blind children (and, where applicable, other persons) regardless of whether they reside in the center, may be provided at some place other than the center, and may include the provision of transportation for any such children (including an attendant) and for parents.

(20 U.S.C. 1422) Enacted April 13, 1960, P.L. 91–230, Title VI, sec. 622, 84 Stat. 182.

EARLY EDUCATION FOR HANDICAPPED CHILDREN

Sec. 623. (a) The Commissioner is authorized to arrange by contract, grant, or otherwise with appropriate public agencies and private nonprofit organizations, for the development and carrying out by such agencies and organizations of experimental preschool and early education programs for handicapped children which the Commissioner determines show promise of promoting a comprehensive and strengthened approach to the special problems of such children. Such programs shall be distributed to the greatest extent possible throughout the Nation, and shall be carried out both in urban and in rural areas. Such programs shall include activities and services designed to (1) facilitate the intellectual, emotional, physical, mental, social, and language development of such children; (2) encourage the participation of the parents of such children in the development and operation of any such program; and (3) acquaint the community to be served by any such program with the problems and potentialities of such children.

(b) Each arrangement for developing or carrying out a program authorized by this section shall provide for the effective coordination of each such program with similar programs in the schools of the community to be served by such a program.

(c) No arrangement pursuant to this section shall provide for the payment of more than 90 per centum of the cost of developing, carrying out, or evaluating such a program. Non-Federal contributions may be in cash or in kind, fairly evaluated, including, but not limited to, plant, equipment, and services.

(20 U.S.C. 1423) Enacted April 13, 1970, P.L. 91–230, Title VI, sec. 623, 84 Stat. 183.

RESEARCH, INNOVATION, TRAINING, AND DISSEMINATION ACTIVITIES IN CONNECTION WITH CENTERS AND SERVICES FOR THE HANDICAPPED

Sec. 624. (a) The Commissioner is authorized, either as part of any grant or contract under this part, or by separate grant to, or contract with, an agency, organization, or institution operating a center or providing a service which meets such requirements as the Commissioner determines to be appropriate, consistent with the purposes of this part, to pay all or part of the cost of such activities as—

(1) research to identify and meet the full range of special needs of handicapped children;

(2) development or demonstration of new, or improvements in existing, methods, approaches, or techniques, which would contribute to the adjustment and education of such children;

(3) training (either directly or otherwise) of professional and allied personnel engaged or preparing to engage in programs specifically designed for such children, including payment of stipends for trainees and allowances for travel and other expenses for them and their dependents; and

(4) dissemination of materials and information about practices found effective in working with such children.

(b) In making grants and contracts under this section, the Commissioner shall insure that the activities funded under such grants and contracts will be coordinated with similar activities funded from grants and contracts under other parts of this title.

(20 U.S.C. 1424) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 624, 84 Stat. 183.

EVALUATIONS

SEC. 625. The Commissioner shall conduct, either directly or by contract with independent organizations, a thorough and continuing evaluation of the effectiveness of each program assisted under this part.

(20 U.S.C. 1425) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 625, 84 Stat. 183.

AUTHORIZATION OF APPROPRIATIONS

SEC. 626. There are hereby authorized to be appropriated $36,500,000 for the fiscal year ending June 30, 1971, $51,500,000 for the fiscal year ending June 30, 1972, and $66,500,000 for the fiscal year ending June 30, 1973, for the purpose of carrying out the provisions of this part.

(20 U.S.C. 1426) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 626, 84 Stat. 184.

PART D—TRAINING PERSONNEL FOR THE EDUCATION OF THE HANDICAPPED

GRANTS TO INSTITUTIONS OF HIGHER EDUCATION AND OTHER APPROPRIATE INSTITUTIONS OR AGENCIES

SEC. 631. The Commissioner is authorized to make grants to institutions of higher education and other appropriate nonprofit institutions or agencies to assist them—

(1) in providing training of professional personnel to conduct training of teachers and other specialists in fields related to the education of handicapped children;

(2) in providing training for personnel engaged or preparing to engage in employment as teachers of handicapped children,

as supervisors of such teachers, or as speech correctionists or other special personnel providing special services for the education of such children, or engaged or preparing to engage in research in fields related to the education of such children; and

(3) in establishing and maintaining scholarships, with such stipends and allowances as may be determined by the Commissioner, for training personnel engaged in or preparing to engage in employment as teachers of the handicapped or as related specialists.

Grants under this subsection may be used by such institutions to assist in covering the cost of courses of training or study for such personnel and for establishing and maintaining fellowships or traineeships with such stipends and allowances as may be determined by the Commissioner.

(20 U.S.C. 1431) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 631, 84 Stat. 184.

GRANTS TO STATE EDUCATIONAL AGENCIES

SEC. 632. The Commissioner is authorized to make grants to State educational agencies to assist them in establishing and maintaining, directly or through grants to institutions of higher education, programs for training personnel engaged, or preparing to engage, in employment as teachers of handicapped children or as supervisors of such teachers. Such grants shall also be available to assist such institutions in meeting the cost of training such personnel.

(20 U.S.C. 1432) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 632, 84 Stat. 184.

GRANTS OR CONTRACTS TO IMPROVE RECRUITING OF EDUCATIONAL PERSONNEL, AND TO IMPROVE DISSEMINATION OF INFORMATION CONCERNING EDUCATIONAL OPPORTUNITIES FOR THE HANDICAPPED

SEC. 633. The Commissioner is authorized to make grants to public or nonprofit private agencies, organizations, or institutions, or to enter into contracts with public or private agencies, organizations, or institutions, for projects for—

(1) encouraging students and professional personnel to work in various fields of education of handicapped children and youth through, among other ways, developing and distributing imaginative or innovative materials to assist in recruiting personnel for such careers, or publicizing existing forms of financial aid which might enable students to pursue such careers, or

(2) disseminating information about the programs, services, and resources for the education of handicapped children, or providing referral services to parents, teachers, and other persons especially interested in the handicapped.

(20 U.S.C. 1433) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 633, 84 Stat. 184.

TRAINING OF PHYSICAL EDUCATORS AND RECREATION PERSONNEL FOR HANDICAPPED CHILDREN

SEC. 634. The Commissioner is authorized to make grants to institutions of higher education to assist them in providing training for personnel engaged or preparing to engage in employment as physical educators or recreation personnel for handicapped children or as educators or supervisors of such personnel, or engaged or preparing to engage in research or teaching in fields related to the physical education or recreation of such children.

(20 U.S.C. 1434) Enacted April 13, 1970, P.L. 91–230, Title VI, sec. 634, 84 Stat. 185.

REPORTS

Sec. 635. Each recipient of a grant under this part during any fiscal year shall, after the end of such fiscal year, submit a report to the Commissioner. Such report shall be in such form and detail and contain such information as the Commissioner determines to be appropriate.

(20 U.S.C. 1435) Enacted April 13, 1970, P.L. 91–230, Title VI, sec. 635, 84 Stat. 185.

AUTHORIZATION OF APPROPRIATIONS

Sec. 636. There are authorized to be appropriated for carrying out this part, $69,500,000 for the fiscal year ending June 30, 1971, $87,000,000 for the fiscal year ending June 30, 1972, and $103,500,000 for the fiscal year ending June 30, 1973.

(20 U.S.C. 1436) Enacted April 13, 1970, P.L. 91–230, Title VI, sec. 636, 84 Stat. 185.

Part E—Research in the Education of the Handicapped

RESEARCH AND DEMONSTRATION PROJECTS IN EDUCATION OF HANDICAPPED CHILDREN

Sec. 641. The Commissioner is authorized to make grants to States, State or local educational agencies, institutions of higher education, and other public or nonprofit private educational or research agencies and organizations, and to make contracts with States, State or local educational agencies, institutions of higher education, and other public or private educational or research agencies and organizations, for research and related purposes and to conduct research, surveys, or demonstrations, relating to education of handicapped children.

(20 U.S.C. 1441) Enacted April 13, 1970, P.L. 91–230, Title VI, sec. 641, 84 Stat. 185.

RESEA[illegible] AND DEMONSTRATION PROJECTS IN PHYSICAL EDUCATION AND RECREATION FOR HANDICAPPED CHILDREN

Sec. 642. The Commissioner is authorized to make grants to States, State or local educational agencies, institutions of higher education, and other public or nonprofit private educational or research agencies and organizations, and to make contracts with States, State or local educational agencies, institutions of higher education, and other public or private educational or research agencies and organizations, for research and related purposes relating to physical education or recreation for handicapped children, and to conduct research, surveys, or demonstrations relating to physical education or recreation for handicapped children.

(20 U.S.C. 1442) Enacted April 13, 1970, P.L. 91–230, Title VI, sec. 642, 84 Stat. 185.

PANELS OF EXPERTS

SEC. 643. The Commissioner shall from time to time appoint panels of experts who are competent to evaluate various types of research or demonstration projects under this part, and shall secure the advice and recommendations of one such panel before making any grant under this part.

(20 U.S.C. 1443) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 643, 84 Stat. 185.

AUTHORIZATION OF APPROPRIATIONS

SEC. 644. There are hereby authorized to be appropriated $27,000,000 for the fiscal year ending June 30, 1971, $35,500,000 for the fiscal year ending June 30, 1972, and $45,000,000 for the fiscal year ending June 30, 1973, for carrying out the provisions of this part.

(20 U.S.C. 1444) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 644, 84 Stat. 186.

PART F—INSTRUCTIONAL MEDIA FOR THE HANDICAPPED

PURPOSE

SEC. 651. (a) The purposes of this part are to promote—

(1) the general welfare of deaf persons by (A) bringing to such persons understanding and appreciation of those films which play such an important part in the general and cultural advancement of hearing persons, (B) providing through these films enriched educational and cultural experiences through which deaf persons can be brought into better touch with the realities of their environment, and (C) providing a wholesome and rewarding experience which deaf persons may share together; and

(2) the educational advancement of handicapped persons by (A) carrying on research in the use of educational media for the handicapped, (B) producing and distributing educational media for the use of handicapped persons, their parents, their actual or potential employers, and other persons directly involved in work for the advancement of the handicapped, and (C) training persons in the use of educational media for the instruction of the handicapped.

(20 U.S.C. 1451) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 651, 84 Stat. 186.

CAPTIONED FILMS AND EDUCATIONAL MEDIA FOR HANDICAPPED PERSONS

SEC. 652. (a) The Commissioner shall establish a loan service of captioned films and educational media for the purpose of making such materials available in the United States for nonprofit purposes to handicapped persons, parents of handicapped persons, and other persons directly involved in activities for the advancement of the handicapped in accordance with regulations.

(b) The Commissioner is authorized to—

(1) acquire films (or rights thereto) and other educational media by purchase, lease, or gift;

(2) acquire by lease or purchase equipment necessary to the administration of this part;

(3) provide for the captioning of films;

(4) provide for the distribution of captioned films and other educational media and equipment through State schools for the handicapped and such other agencies as the Commissioner may deem appropriate to serve as local or regional centers for such distribution;

(5) provide for the conduct of research in the use of educational and training films and other educational media for the handicapped, for the production and distribution of educational and training films and other educational media for the handicapped and the training of persons in the use of such films and media, including the payment to those persons of such stipends (including allowances for travel and other expenses of such persons and their dependents) as he may determine, which shall be consistent with prevailing practices under comparable federally supported programs;

(6) utilize the facilities and services of other governmental agencies; and

(7) accept gifts, contributions, and voluntary and uncompensated services of individuals and organizations.

(20 U.S.C. 1452) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 652, 84 Stat. 186.

NATIONAL CENTER ON EDUCATIONAL MEDIA AND MATERIALS FOR THE HANDICAPPED

SEC. 653. (a) The Secretary is authorized to enter into an agreement with an institution of higher education for the establishment and operation of a National Center on Educational Media and Materials for the Handicapped, which will provide a comprehensive program of activities to facilitate the use of new educational technology in education programs for handicapped persons, including designing and developing, and adapting instructional materials, and such other activities consistent with the purposes of this part as the Secretary may prescribe in the agreement. Such agreement shall—

(1) provide that Federal funds paid to the Center will be used solely for such purposes as are set forth in the agreement;

(2) authorize the Center, subject to the Secretary's prior approval, to contract with public and private agencies and organizations for demonstration projects; and

(3) provide for an annual report on the activities of the Center which will be transmitted to the Congress.

(b) In considering proposals from institutions of higher education to enter into an agreement under this subsection, the Secretary shall give preference to institutions—

(1) which have demonstrated the capabilities necessary for the development and evaluation of educational media for the handicapped; and

(2) which can serve the educational technology needs of the Model High School for the Deaf (established under Public Law 89-694).

(20 U.S.C. 1453) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 653, 84 Stat. 187.

AUTHORIZATION OF APPROPRIATIONS

SEC. 654. For the purpose of carrying out this part, there are hereby authorized to be appropriated not to exceed $12,500,000 for the fiscal year ending June 30, 1971, $15,000,000 for the fiscal year ending June 30, 1972, and $20,000,000 for the fiscal year ending June 30, 1973, and each succeeding fiscal year thereafter.

(20 U.S.C. 1454) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 654, 84 Stat. 187.

PART G—SPECIAL PROGRAMS FOR CHILDREN WITH SPECIFIC LEARNING DISABILITIES

RESEARCH, TRAINING, AND MODEL CENTERS

SEC. 661. (a) The Commissioner is authorized to make grants to, and contracts with, institutions of higher education, State and local educational agencies, and other public and private educational and research agencies and organizations (except that no grant shall be made other than to a nonprofit agency or organization) in order to carry out a program of—

(1) research and related purposes relating to the education of children with specific learning disabilities;

(2) professional or advanced training for educational personnel who are teaching, or are preparing to be teachers of, children with specific learning disabilities, or such training for persons who are, or are preparing to be, supervisors and teachers of such personnel; and

(3) establishing and operating model centers for the improvement of education of children with specific learning disabilities, which centers shall (A) provide testing and educational evaluation to identify children with learning disabilities who have been referred to such centers, (B) develop and conduct model programs designed to meet the special educational needs of such children, (C) assist appropriate educational agencies, organizations, and institutions in making such model programs available to other children with learning disabilities, and (D) disseminate new methods or techniques for overcoming learning disabilities to educational institutions, organizations, and agencies within the area served by such center and evaluate the effectiveness of the dissemination process. Such evaluation shall be conducted annually after the first year of operation of a center.

In making grants and contracts under this section the Commissioner shall give special consideration to applications which propose innovative and creative approaches to meeting the educational needs of children with specific learning disabilities, and those which emphasize the prevention and early identification of learning disabilities.

(b) In making grants and controls under this section, the Commissioner shall—

(1) for the purposes of clause (2) of subsection (a), seek to achieve an equitable geographical distribution of training programs and trained personnel throughout the Nation, and

(2) for the purposes of clause (3) of subsection (a), to the extent feasible, taking into consideration the appropriations pursuant to this section, seek to encourage the establishment of a model center in each of the States.

(c) For the purpose of making grants and contracts under this section there are hereby authorized to be appropriated $12,000,000 for the fical year ending June 30, 1970, $20,000,000 for the fiscal year ending June 30, 1971, and $31,000,000 for each of the succeeding fiscal years ending prior to July 1, 1973.

(20 U.S.C. 1461) Enacted April 13, 1970, P.L. 91-230, Title VI, sec. 661, 84 Stat. 187, 188.

REPEALER

SEC. 662. Effective July 1, 1971, the following provisions of law are repealed:

(1) That part of section 1 of the Act of September 2, 1958 (Public Law 85–905), which follows the enacting clause and sections 2, 3, and 4 of such Act;

(2) The Act of September 6, 1958 (Public Law 85–926);

(3) Title VI of the Elementary and Secondary Education Act of 1965 (Public Law 89–10);

(4) Titles III and V of the Act of October 31, 1963 (Public Law 88–164); and

(5) The Act of September 30, 1968 (Public Law 90–538).

LEGISLATIVE HISTORY

House Reports: No. 91–114 (Comm. on Education & Labor) and No. 91–937 (Comm. of Conference).
Senate Report: No. 91–634 (Comm. on Labor & Public Welfare).
Congressional Record:
Vol. 115 (1969): Apr. 23, considered and passed House.
Vol. 116. (1970): Feb. 4–6, 9, 10, 16–18, considered in Senate.
Feb. 19, considered and passed Senate, amended.
Mar. 24, 25, Senate considered conference report.
Apr. 1, Senate agreed to conference report.
Apr. 7, House agreed to conference report.
Approved: April 13, 1970.

National Technical Institute for the Deaf

AN ACT To provide for the establishment and operation of a National Technical Institute for the Deaf

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National Technical Institute for the Deaf Act".

(20 U.S.C. 681 note) Enacted June 8, 1965, P.L. 89–36, sec. 1, 79 Stat. 125.

AUTHORIZATION OF APPROPRIATIONS

SEC. 2. For the purpose of providing a residential facility for postsecondary technical training and education for persons who are deaf in order to prepare them for successful employment, there are authorized to be appropriated for each fiscal year such sums as may be necessary for the establishment and operation, including construction and equipment, of a National Technical Institute for the Deaf, including sums necessary for the acquisition of property, both real and personal, and for the construction of buildings and other facilities for such Institute.

(20 U.S.C. 681) Enacted June 8, 1965, P.L. 89–36, sec. 2, 79 Stat. 125.

DEFINITIONS

SEC. 3. As used in this Act—

(a) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(b) The term "institution of higher education" means an educational institution in any State or in the District of Columbia which (1) admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such a certificate, (2) is legally authorized within such State (or in the District of Columbia) to provide a program of education beyond secondary education, (3) provides an educational program for which it awards a bachelor's degree, (4) includes one or more professional or graduate schools, (5) is a public or nonprofit private institution, and (6) is accredited by a nationally recognized accrediting agency or association. For purposes of this subsection, the Commissioner of Education shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of training offered.

(c) The term "construction" includes construction and initial equipment of new buildings, expansion, remodeling, and alteration of existing buildings and equipment thereof, and acquisition of land; including architect's services, but excluding off-site improvements.

(20 U.S.C. 682) Enacted June 8, 1965, P.L. 89–36, sec. 3, 79 Stat. 125.

PROPOSALS

SEC. 4. Any institution of higher education which desires to enter into an agreement with the Secretary to establish and operate a National Technical Institute for the Deaf shall submit a proposal therefor at such time, in such manner, and containing such information as may be prescribed by the Secretary.

(20 U.S.C. 683) Enacted June 8, 1965, P.L. 89–36, sec. 4, 79 Stat. 125.

AGREEMENT TO ESTABLISH INSTITUTE

SEC. 5. (a) The Secretary, after consultation with the National Advisory Board created by section 6, is authorized to enter into an agreement with an institution of higher education for the establishment and operation, including construction and equipment, of a National Technical Institute for the Deaf. The Secretary, in considering proposals from institutions of higher education to enter into an agreement under this Act, shall give preference to institutions which are located in metropolitan industrial areas.

(b) The agreement shall—

(1) provide that Federal funds appropriated for the benefit of the Institute will be used only for the purposes for which paid and in accordance with the applicable provisions of this Act and the agreement made pursuant thereto;

(2) provide that the Board of Trustees or other governing body of the institution, subject to the approval of the Secretary, will appoint an advisory group to advise the Director of the Institute in formulating and carrying out the basic policies governing its establishment and operation, which group shall include

persons who are professionally concerned with education and technical training at the post secondary school level, persons who are professionally concerned with activities relating to education and training of the deaf, and members of the public familiar with the need for services provided by the Institute;

(3) provide that the Board of Trustees or other governing body of the institution will make an annual report to the Secretary. The Secretary shall transmit the report of the institution to the Congress with such comments and recommendations as he may deem appropriate;

(4) include such other conditions as the Secretary, after consultation with the National Advisory Board, deems necessary to carry out the purposes of this Act; and

(5) provide that any laborer or mechanic employed by any contractor or subcontractor in the performance of work on any construction aided by Federal funds appropriated for the benefit of the Institute will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5); and the Secretary of Labor shall have, with respect to the labor standards specified in this paragraph, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. 133z-15) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

(c) If within twenty years after the completion of any construction (except minor remodeling or alteration) for which such funds have been paid—

(A) the facility ceases to be used for the purposes for which it was constructed or the agreement is terminated, unless the Secretary determines that there is good cause for releasing the institution from its obligation, or

(B) the institution ceases to be the owner of the facility,

the United States shall be entitled to recover from the applicant or other owner of the facility an amount which bears to the then value of the facility the same ratio as the amount of such Federal funds bore to the cost of the facility financed with the aid of such funds. Such value shall be determined by agreement of the parties or by action brought in the United States district court for the district in which the facility is situated.

(20 U.S.C. 684) Enacted June 8, 1965, P.L. 89-36, sec. 5, 79 Stat. 126.

NATIONAL ADVISORY BOARD ON ESTABLISHMENT OF THE NATIONAL TECHNICAL INSTITUTE FOR THE DEAF

SEC. 6. (a) There is hereby established a National Advisory Board on Establishment of the National Technical Institute for the Deaf, which shall consist of twelve persons, not regular full-time employees of the United States, appointed by the Secretary without regard to the civil service laws. The Secretary shall appoint one of the members to serve as Chairman. The appointed members shall be selected from among leaders in fields related to education and training of the deaf and other fields of education, and from members of the public familiar with the need for services provided by the Institute. The

Commissioner of Education and the Commissioner of Vocational Rehabilitation shall be ex officio members of the Board.

(b) Members of the Board, while serving on business of the Board, shall be entitled to receive compensation at rates fixed by the Secretary, but not exceeding $100 per day, including travel time, and while so serving away from their homes or regular places of business, they may be allowed travel expenses, including per diem in lieu of subsistence, as authorized by section 5 of the Administrative Expenses Act of 1946 (5 U.S.C. 73b–2) for persons in the Government service employed intermittently.

(c) It shall be the function of the Board (1) to review proposals from institutions of higher education which offer to enter into an agreement with the Secretary for the construction and operation of a National Technical Institute for the Deaf, (2) to make recommendations to the Secretary with respect to such proposals, and (3) to make such other recommendations to the Secretary concerning the establishment and operation of the National Technical Institute as may be appropriate.

(d) After the Secretary enters into an agreement under this Act, the Board shall cease to exist.

(20 U.S.C. 685) Enacted June 8, 1965, P.L. 89–36, sec. 6, 79 Stat. 127.

LEGISLATIVE HISTORY

(P.L. 89–36)

House Report No. 307 (Committee on Education and Labor).
Senate Report No. 245 (Committee on Labor and Public Welfare).
Congressional Record, volume 111 (1965):
  May 17: Considered and passed House.
  May 26: Considered and passed Senate.
Approved: June 8, 1965.

Model Secondary School for the Deaf

(P.L. 89–694)

AN ACT To authorize the establishment and operation by Gallaudet College of a model secondary school for the deaf to serve the National Capital region

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Model Secondary School for the Deaf Act".

AUTHORIZATION OF APPROPRIATIONS

SEC. 2. For the purpose of providing day and residential facilities for secondary education for persons who are deaf in order to prepare them for college and other advanced study, and to provide an exemplary secondary school program to stimulate the development of similarly excellent programs throughout the Nation, there are authorized to be appropriated for each fiscal year such sums as may be necessary for the establishment and operation, including construction and equipment, of a model secondary school for the deaf to serve primarily residents of the District of Columbia and of nearby States, including sums necessary for the construction of buildings and other facilities for the school.

(31 D.C. Code 1051) Enacted Oct. 15, 1966, P.L. 89–694, sec. 2, 80 Stat. 1027.

DEFINITIONS

Sec. 3. As used in this Act—

(a) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(b) The term "construction" includes construction and initial equipment of new buildings, expansion, remodeling, and alteration of existing buildings and equipment thereof, including architect's services, but excluding off-site improvements.

(c) The term "secondary school" means a school which provides education in grades nine through twelve, inclusive.

(31 D.C. Code 1052) Enacted Oct. 15, 1966, P.L. 89-694, sec. 3, 80 Stat. 1027.

AGREEMENT WITH GALLAUDET COLLEGE TO ESTABLISH MODEL SECONDARY SCHOOL

Sec. 4. (a) The Secretary, after consultation with the National Advisory Committee on Education of the Deaf (created by Public Law 89-258, 42 U.S.C. 2495) is authorized to enter into an agreement with Gallaudet College for the establishment and operation, including construction and equipment of a model secondary school for the deaf to serve primarily residents of the District of Columbia and of nearby States.

(b) The agreement shall—

(1) provide that Federal funds appropriated for the benefit of the model secondary school will be used only for the purposes for which paid and in accordance with the applicable provisions of this Act and the agreement made pursuant thereto;

(2) provide for utilization of the National Advisory Committee on Education of the Deaf to advise the college in formulating and carrying out the basic policies governing the establishment and operation of the model secondary school;

(3) provide that the college will make an annual report to the Secretary;

(4) provide that in the design and construction of any facilities, maximum attention will be given to excellence of architecture and design, works of art, and innovative auditory and visual devices and installations appropriate for the educational functions of such facilities;

(5) include such other conditions as the Secretary, after consultation with the National Advisory Committee on Education of the Deaf, deems necessary to carry out the purposes of this Act; and

(6) provide that any laborer or mechanic employed by any contractor or subcontractor in the performance of work on any construction aided by Federal funds appropriated for the benefit of the model secondary school will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5); and the Secretary of Labor shall have, with respect to the labor standards specified in this paragraph, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. 133z-15) and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

(c) The Secretary shall submit the annual report of the college (required by clause (3) of subsection (b)) to the Congress with such comments and recommendations as he may deem appropriate.

(31 D.C. Code 1053) Enacted Oct. 15, 1966, P.L. 894–694, sec. 4, 80 Stat. 1027.

LEGISLATIVE HISTORY

(P.L. 89–694)

House Report No. 2214 (Committee on Education and Labor).
Senate Report No. 1713 accompanying S. 3758 (Committee on Labor and Public Welfare).
Congressional Record, volume 112 (1966):
October 11: Considered and passed House.
October 13: Considered and passed Senate, in lieu of S. 3758.
Approved: October 15, 1966.

Gallaudet College

AN ACT To amend the charter of the Columbia Institution for the Deaf, change its name, define its corporate powers, and provide for its organization and administration, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Columbia Institution for the Deaf, created a body corporate by the Act of Congress approved February 16, 1857, as amended, is hereby continued as a body corporate under the name of Gallaudet College, and hereafter by such name shall be known and have perpetual succession and shall have the powers and be subject to the limitations contained in this Act.

(D.C. Code 31–1025) Enacted June 18, 1954, P.L. 420, 83rd Cong., sec. 1, 68 Stat. 265.

SEC. 2. The purposes of Gallaudet College shall be to provide education and training to deaf persons and otherwise to further the education of the deaf.

(D.C. Code 31–1026) Enacted June 18, 1954, P.L. 420, 83rd Cong., sec. 2, 68 Stat. 265.

SEC. 3. (a) Subject to the provisions of subsection (b), Gallaudet College is hereby invested with all the property and the rights of property, and shall have and be entitled to use all authority, privileges, and possessions and all legal rights which it has, or which it had or exercised under any former name, including the right to sue and be sued and to own, acquire, sell, mortgage, or otherwise dispose of property it may own now or hereafter acquire. Gallaudet College shall also be subject to all liabilities and obligations now outstanding against said corporation under any former name.

(b) With the approval of the Secretary of Health, Education, and Welfare the Board of Directors of Gallaudet College may convey fee simple title by deed, convey by quitclaim deed, mortgage, or otherwise dispose of any or all real property title to which is vested in Gallaudet College, the Columbia Institution for the Deaf, or any predecessor corporation: *Provided*, That the proceeds of any such disposition shall be considered a part of the capital structure of the corporation, and may be used solely for the acquisition of real estate for the use of the corporation, for the construction, equipment, or improvement of buildings for such use, or for investment purposes, but if invested only the income from the investment may be used for current expenses of the corporation.

(D.C. Code 31–1027) Enacted June 18, 1954, P.L. 420, 83rd Cong., sec. 3, 68 Stat. 265; amended Sept. 13, 1960, P.L. 86–776, sec. 4, 74 Stat. 917.

Sec. 4. Gallaudet College is authorized to receive by gift, devise, bequest, purchase, or otherwise, property, both real and personal, for the use of said Gallaudet College, or for the use of any of its departments or other units as may be designated in the conveyance or will, and to hold, invest, use, or dispose of such property for such purpose.

(D.C. Code 31–1028) Enacted June 18, 1954, P.L. 420, 83rd Cong., Sec. 4, 68 Stat. 265.

Sec. 5. Gallaudet College shall be under the direction and control of a Board of Directors, composed of thirteen members selected as follows: (1) Three public members of whom: one shall be a United States Senator appointed by the President of the Senate; two shall be Representatives appointed by the Speaker of the House of Representatives; (2) ten other members, all of whom shall be elected by the Board of Directors, who on the effective date of this Act shall include those persons serving as nonpublic members of the Board of Directors of the Columbia Institution for the Deaf immediately prior to such date, and of whom one shall be elected pursuant to regulations of the Board of Directors on nomination by the Gallaudet College Alumni Association for a term of three years. The members appointed from the Senate and House of Representatives shall be appointed for a term of two years at the beginning of each Congress, shall be eligible for reappointment, and shall serve until their successors are appointed. The Board of Directors shall have the power to fill any vacancy in the membership of the Board except for public members. Seven directors shall be a quorum to transact business. The said Board of Directors, by vote of a majority of its membership, shall have power to remove any member of their body (except the public members) who may refuse or neglect to discharge the duties of a director, or whose removal would, in the judgment of said majority, be to the interest and welfare of said corporation.

(D.C. Code 31–1029) Enacted June 18, 1954, P.L. 420, 83rd Cong., Sec. 5, 68 Stat. 266.

Sec. 6. The Board of Directors shall have the power to—

(a) make such rules, regulations, and bylaws, not inconsistent with the Constitution and laws of the United States, as may be necessary for the good government of Gallaudet College, for the management of the property and funds of such corporation and for the admission, instruction, care, and discharge of students;

(b) provide for the adoption of a corporate seal and for its use;

(c) fix the date of holding their annual and other meetings;

(d) appoint a president, professors, instructors, and other necessary employees for Gallaudet College, delegate to them such duties as it may deem advisable, fix their compensation, and remove them when, in their judgment, the interest of Gallaudet College shall require it;

(e) elect a chairman and other officers and prescribe their duties and terms of office, and appoint an executive committee to consist of five members, and vest the committee with such of its powers during periods between meetings of the Board as the Board deems necessary;

(f) establish such departments and other units, including a department of higher learning for the deaf, a department of elementary education for the instruction of deaf children, a graduate department, and a research department, as the Board deems necessary to carry out the purpose of Gallaudet College;

(g) confer such degrees and marks of honor as are conferred by colleges and universities generally, and issue such diplomas and certificates of graduation as, in its opinion, may be deemed advisable, and consistent with academic standards;

(h) subject to the provisions of section 7, control expenditures of all moneys appropriated by Congress for the benefit of Gallaudet College; and

(i) control the expenditure and investment of any moneys or funds or property which Gallaudet College may have or may receive from sources other than appropriations by Congress.

(D.C. Code 31-1030) Enacted June 18, 1954, P.L. 420, 83rd Cong., Sec. 6; 68 Stat. 266.

Sec. 7. (a) All financial transactions and accounts of the corporation in connection with the expenditure of any moneys appropriated by any law of the United States for the benefit of Gallaudet College or for the construction of facilities for its use, shall be settled and adjusted in the General Acounting Office.

(b) It shall be the duty of the Board of Directors of Gallaudet College to have made annually a report to the Secretary of Health, Education, and Welfare as soon as practicable after the first day of July of each year the condition of the corporation, embracing in said report the number of students of each description received and discharged during the preceding school year and the number remaining, also the branches and type of training and education taught and progress made therein, together with a statement showing the receipts of said corporation and from what sources, and its expenditures and for what objects.

(D.C. Code 31-1031) Enacted June 18, 1954, P.L. 420, 83rd Cong., Sec. 7, 68 Stat. 266.

Sec. 8. There are hereby authorized to be appropriated such sums as the Congress may determine necessary for the administration, operation, maintenance, and improvement of Gallaudet College, including sums necessary for student aid and research, for the acquisition of property, both real and personal, and for the construction of buildings and other facilities for the use of said corporation.

(D.C. Code 31-1032) Enacted June 18, 1954, P.L. 420, 83rd Cong., Sec. 8, 68 Stat. 266.

Sec. 9. (a) The following statutes or parts of statutes are hereby repealed:

Sections 4859, 4860, 4861, 4862, 4863, 4865, 4866, 4868, and 4869 of the Revised Statutes of the United States, and all amendments thereto (31 D.C. Code, 1951 edition, secs. 1001, 1003, 1004, 1005, 1006, 1012, 1015, 1017, and 1019).

Chapter 52, volume 13, Statutes at Large, page 45 (31 D.C. Code, 1951 edition, sec. 1002).

The first and second provisos at the end of the third paragraph under the heading "Columbia Institution for the Deaf and Dumb" in the Act approved June 10, 1872, chapter 415, volume 17, Statutes at Large, page 347, which appear at page 360 and read as follows: "*Provided*, That before the expenditure of any part of this appropriation, by proper deeds of conveyance, to be approved by the Attorney General of the United States, all the real estate now owned by the said Columbia Institution for the Deaf and Dumb shall be vested in the United States, as trustee, for the sole use and purpose provided in the Act entitled 'An Act to incorporate the Columbia Institution for the Instruction of the Deaf, Dumb, and Blind,' approved February 16, 1857, and the several Acts amendatory thereof: *Provided*, That, whenever Congress shall so determine, any part of said estate may be sold, and so much of the proceeds thereof as shall be needful for the purpose shall be applied to reimburse the United States for the expenditure herein provided.".

The proviso at the end of the first paragraph under the heading "Columbia Institution for the Deaf and Dumb" in chapter 235, volume 21, Statutes at Large, page 259, which appears at pages 275 and 276 and which reads as follows: "*Provided*, That when any indigent applicant for admission to the institution, belonging to the District of Columbia, and being of teachable age, is found on examination by the president of the institution to be of feeble mind, and hence incapable of receiving instruction among children of sound mind, the Secretary of the Interior may cause such person to be instructed in some institution for the education of feeble-minded children in Pennsylvania, or some other State, at a cost not greater for each pupil than is, or may be for the time being, paid by such State for similar instruction, and the sum necessary therefor is appropriated out of the sum above provided for current expenses of the institution."; together with the amendment thereto at the end of the last paragraph under the heading "Columbia Institution for the Deaf and Dumb" in chapter 837, volume 26, Statutes at Large, page 371, which appears at page 393 and which reads as follows: "and hereafter the estimates for this expense shall each year be submitted in the annual estimates for the expenses of the government of the District of Columbia" (31 D.C. Code, 1951 edition, sec. 1009).

The second proviso at the end of the first paragraph under the heading "Columbia Institution for the Deaf and Dumb" in chapter 143, volume 22, Statutes at Large, page 603, which appears at pages 625 and 626 and which reads as follows: "*Provided further*, That hereafter the report of said institution shall contain an itemized statement of all employees, the salaries or wages respectively, each of them, and also of all other expenses of said institution" (31 D.C. Code, 1951 edition, sec. 1018).

The last clause of the first proviso and all of the second proviso at the end of the first paragraph under the heading "Columbia Institution for the Deaf and Dumb" in chapter 837, volume 26, Statutes at Large, page 371, which appears at page 393 and which reads as follows: "and hereafter there shall not be admitted to said institution under section forty-eight hundred and sixty-five of the Revised Statutes, nor shall there be maintained after such admission, at any one time from any State or Territory exceeding three deaf-mutes while there are applications pending from deaf-mutes, citizens of States or Territories having less than three pupils in said institution:

Provided further, That hereafter there shall be included in the annual Book of Estimates a statement showing the number of persons employed each year in this institution and the compensation paid to each" (31 D.C. Code, 1951 edition, secs. 1013 and 1014).

The proviso at the end of the first paragraph under the heading "Current expenses of the Columbia Institution for the Deaf and Dumb" in chapter 546, volume 30, Statutes at Large, page 597, which appears at page 624 and which reads as follows: "*Provided*, That directors appointed under the provisions of section forty-eight hundred and sixty-three of the Revised Statutes of the United States shall remain in office until the appointment and acceptance of office of their successors; and the directors of the institution shall have control of the disbursement of all moneys appropriated by Congress for the benefit of said institution, accounts for which shall be settled and adjusted at the Treasury Department as required by the provisions of section two hundred and thirty-six of the Revised Statutes" (31 D.C. Code, 1951 Ed., sec. 1007).

(b) All other laws and parts of laws, or of the charter heretofore granted, as amended, which are in conflict with this Act are hereby repealed.

Enacted June 18, 1954, P.L. 420, 83rd Cong., sec. 9, 68 Stat. 266; amended Sept. 13, 1960, P.L. 86-776, sec. 3, 74 Stat. 917.

AN ACT To cancel a deed of trust to the United States from the predecessor in name of Gallaudet College and any evidences of indebtedness related to the same transaction, to quiet the college's title to property belonging to it, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That (a) as used in this Act, the term "Institution" means the Columbia Institution for the Instruction of the Deaf and Dumb (also known as Columbia Institution for the Deaf and Dumb and, later, as the Columbia Institution for the Deaf), which was continued as a body corporate under the name of Gallaudet College by the Act approved June 18, 1954 (68 Stat. 265, Public Law 420, 83d Cong. ch. 324).

(b) All property conveyed by the Institution to the United States, as trustee, pursuant to certain provisos under the heading "Columbia Institution for the Deaf and Dumb" in the Act of June 10, 1872, Forty-second Congress, second session (17 Stat. L. 347, at 360), by deed dated June 20, 1872, and recorded in liber 752, folio 272, of the land records for the District of Columbia, and all property otherwise made subject to such deed of trust, is hereby given, granted, remised, released, and quitclaimed unto Gallaudet College, free and clear of any trust, lien, encumbrance, or indebtedness arising out of said deed or under the said Act of June 10, 1872, and the college is forever discharged from the obligation of repayment, to the United States, of the sum referred to in said Act and in said deed, or in any note or other evidence of indebtedness executed in connection therewith.

(D.C. Code 31-1033) Enacted Sept. 13, 1960, P.L. 86-776, sec. 1, 74 Stat. 916.

Sec. 2. The said deed, and any note or other evidence of indebtedness executed in connection therewith, and all original papers with respect thereto, shall be delivered by the Administrator of General

Services (or any other officer of the United States having custody thereof) to the Secretary of Health, Education, and Welfare (or his (designee) and shall by the Secretary (or his designee) be canceled and returned to Gallaudet College for its historical records.

(D.C. Code 31-1034) Enacted Sept. 13, 1960, P.L. 86-776, sec. 2, 74 Stat. 917.

Sec. 3. * * *.

(Note.—This section amended section 9 of P.L. 420, 83rd Congress. The language of this section reflects the amendment.)

Sec. 4. * * *.

(Note.—This section amended section 3 of P.L. 420, 83rd Congress. The language of this section reflects the amendment.)

Kendall School

(P.L. 91-587)

AN ACT To modify and enlarge the authority of Gallaudent College to maintain and operate the Kendall School as a demonstration elementary school for the deaf to serve primarily the National Capital region, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purpose of providing day and residential facilities for elementary education for persons who are deaf in order to prepare them for high school and other secondary study, and to provide an exemplary educational program to stimulate the development of similar excellent programs throughout the Nation, the directors of Gallaudet College are authorized to maintain and operate Kendall School as a demonstration elementary school for the deaf, to serve primarily residents of the National Capital region.

Sec. 2. As used in this Act—

(a) The term "elementary school" means a school which provides education for deaf children from the age of onset of deafness to age fifteen, inclusive, but not beyond the eighth grade or its equivalent.

(b) The term "construction" includes construction and initial equipment of new buildings, and expansion, remodeling, and alteration of existing buildings and equipment thereof, including architect's services, but excluding off-site improvements.

AUTHORIZATION OF APPROPRIATIONS

Sec. 3. (a) There are authorized to be appropriated for each fiscal year such sums as may be necessary for the establishment and operation, including construction and equipment, of the demonstration elementary school provided for in section 1.

(b) Federal funds appropriated for the benefit of the school shall be used only for the purposes for which paid and in accordance with the applicable provisions of this Act.

Sec. 4. In the design and construction of any facilities, maximum attention shall be given to excellence of architecture and design, works of art, and innovative auditory and visual devices and installations appropriate for educational functions of such facilities.

LEGISGLATIVE HISTORY

(P.L. 91–587)

House Report: No. 91–1658 (Committee on Education and Labor).
Senate Report: No. 91–1070 (Committee on Labor and Public Welfare).
Congressional Record, Volume 116 (1970):
    August 11, considered and passed Senate.
    December 7, considered and passed House, amended.
    December 8, Senate concurred in House amendment.

REVISED STATUTES OF THE UNITED STATES

An act to revise and consolidate the statutes of the United States, in force on the first day of December, anno Domini one thousand eight hundred and seventy three.

* * * * * * *

TITLE XI—THE DEPARTMENT OF THE INTERIOR[2]

* * * * * * *

CHAPTER TWO—THE SECRETARY OF THE INTERIOR

SEC. 441. The Secretary of the Interior is charged with the supervision of public business relating to the following subjects:

* * * * * * *

Ninth: Columbia Asylum for the Deaf and Dumb.[3]

(D.C. Code 31–1022) Enacted June 22, 1874 as R.S. 441 18 Stat. 74.

REORGANIZATION PLAN NO. IV

Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, April 11, 1940, pursuant to the provisions of the Reorganization Act of 1939, approved April 3, 1939.

* * * * * * *

FEDERAL SECURITY AGENCY

SEC. 11. Transfer of certain Interior Department institutions.— * * *.

(*d*) *Columbia Institution for the Deaf.*[4]—The functions of the Department of the Interior relating to the administration of the Columbia Institution for the Deaf are transferred to the Federal Security Agency and shall be administered under the direction and supervision of the Federal Security Administrator. The annual report required to be furnished to the Secretary of the Interior by the president and directors of the Institution shall be furnished to the Federal Security Administrator, and the annual report of the superintendent of the Institution to the Congress shall be submitted through the Federal Security Administrator.

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[2] Functions of Department of Interior with regard to Columbia Institution for the Deaf (see footnote 2 regarding name) transferred June 30, 1940, to Federal Security Agency (1940 Reorg. Plan No. IV, sec. 11(d), 5 F.R. 2422, 54 Stat. 1237), and transferred Apr. 11, 1953, to Department of Health, Education, and Welfare (1953 Reorg. Plan No. 1, sec. 5, 8, 18 F.R. 2053, 67 Stat. 631).

[3] Name changed to "Columbia Institution for the Deaf" by Act of Mar. 4, 1911, P.L. 525, 61st Cong., sec. 1, 36 Stat. 1422; then to "Gallaudet College" by Act of June 18, 1954, P.L. 420, 83rd Cong., sec. 1, 68 Stat. 265.

[4] Name changed to "Gallaudet College" by Act of June 18, 1954, P.L. 420, 83rd Cong., sec. 1, 60 Stat. 265.

(*e*) *Federal Security Administrator.*—The functions transferred by this section shall be administered under the direction and supervision of the Federal Security Administrator through such officers or subdivisions of the Federal Security Agency as the Administrator shall designate.

* * * * * * *

GENERAL PROVISIONS

Sec. 13. *Transfer of functions of heads of departments.*—Except as otherwise provided in this Plan, the functions of the head of any department relating to the administration of any agency or function transferred from his department by this Plan, are transferred to, and shall be exercised by, the head of the department or agency to which such transferred agency or function is transferred by this Plan.

Sec. 14. *Transfer of records, property, and personnel.*—Except as otherwise provided in this Plan, all records and property (including office equipment) of the several agencies, and all records and property used primarily in the administration of any functions, transferred by this Plan, and all personnel used in the administration of such agencies and functions (including officers whose chief duties relate to such administration and whose offices are not abolished) are transferred to the respective agencies concerned, for use in the administration of the agencies and functions transferred by this Plan: *Provided*, That any personnel transferred to any agency by this section found by the head of such agency to be in excess of the personnel necessary for the administration of the functions transferred to his agency shall be transferred under existing law to other positions in the Government service, or separated from the service subject to the provisions of section 10(a) of the Reorganization Act of 1939.

Sec. 15. *Transfer of funds.*—So much of the unexpended balances of appropriations, allocations, or other funds available for the use of any agency in the exercise of any function transferred by this Plan, or for the use of the head of any agency in the exercise of any function so transferred, as the Director of the Bureau of the Budget with the approval of the President shall determine, shall be transferred to the agency concerned for use in connection with the exercise of the function so transferred. In determining the amount to be transferred the Director of the Bureau of the Budget may include an amount to provide for the liquidation of obligations incurred against such appropriations, allocations, or other funds prior to the transfer: *Provided*, That the use of the unexpended balances of appropriations, allocations, or other funds transferred by this section shall be subject to the provisions of section 4(d)(3) and section 9 of the Reorganization Act of 1939.

(Effective June 30, 1939) 5 F.R. 2421, 2422; 54 Stat. 1234, 1236–1238.

American Printing House For The Blind

AN ACT To promote the education of the blind

Whereas, the trustees, superintendents, and teachers of the various State and public institutions for the instruction of the blind, representing the interests of over thirty thousand blind persons in the United States, have united in a petition to Congress to take into consideration the needs of the blind in the United States; and

Whereas the Association of the American Instructors of the Blind, at their session in Philadelphia, in August, eighteen hundred and seventy-six, representing twenty-six State and public institutions for the instruction of the blind, have set forth in a series of resolutions that the especial needs of the blind are embossed books and tangible apparatus, and have recommended that if any aid should be given by Congress it would most efficiently come through increasing the means of the American Printing House for the Blind, located in Louisville, Kentucky; and

Whereas it appears that the Kentucky legislature, in eighteen hundred and fifty-eight, by an act of special legislation, declared James Guthrie, W. F. Bullock, Theodore S. Bell, Bryce M. Patten, John Milton, H. T. Curd, and A. O. Branning, and their successors a body corporate under the name and style of the Trustees of the American Printing House for the Blind, with the avowed purpose of printing books and making apparatus for the instruction of the blind of the United States, for general distribution, and for the sake of philanthropy, and with no desire for pecuniary gain; and

Whereas the States of Louisiana, Mississippi, Tennessee, Kentucky, New Jersey, and Delaware have made appropriations for the aid of said American Printing House for the Blind, of which, on account of the outbreak of the civil war, only a small part of the money appropriated by the first three named States was ever available; and

Whereas by the money from the States of Kentucky, New Jersey, and Delaware, a printing-house for the blind was established, and is now supplied with presses, type, stereotype foundry, steam-engine, a well-equipped bindery, and all the appliances necessary for the manufacture of embossed books, and has for the last ten years been manufacturing embossed books superior in every way to any manufactured elsewhere, which have been distributed gratuitously to the blind in the States of Kentucky, New Jersey, and Delaware, by which the blind in those States have been very much benefited; and

Whereas it is desirable that the blind of the whole country should be equally benefited, and the intentions of the trustees to establish an educational institution of the most practical beneficence and wisest philanthropy upon a national basis, should be accomplished, inasmuch as the education of the blind is a subject of national importance: Therefore,

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the sum of two hundred and fifty thousand dollars, out of money in the United States Treasury not otherwise appropriated, be, and hereby is, set apart as a perpetual fund for the purpose of aiding the education of the blind in the United States of America, through the American Printing House for the Blind.

Enacted Mar. 3, 1879, ch. 186, 45th Cong., 3rd sess., sec. 1, 20 Stat. 467.

SEC. 2. That the Secretary of the Treasury of the United States is hereby directed to hold said sum in trust for the purpose aforesaid; and it shall be his duty, upon the passage of this act, to invest said sum in United States interest-bearing bonds, bearing interest at four per centum, of the issue of July, eighteen hundred and seventy, and upon their maturity to reinvest their proceeds in other United States interest-bearing bonds, and so on forever.[5]

Enacted Mar. 3, 1879, ch. 186, 45th Cong., 3rd sess., sec. 2, 20 Stat. 467.

SEC. 3. That the Secretary of Health, Education, and Welfare is hereby authorized to pay over semi-annually, to the trustees of the American Printing House for the Blind, located in Louisville, Kentucky, and chartered in 1858 by the Legislature of Kentucky, upon requisition of their president, countersigned by their treasurer, the semi-annual interest upon the said bonds, upon the following conditions:

First. (A) Such appropriation shall be expended by the trustees of theAmerican Printing House for the Blind each year in manufacturing and furnishing books and other materials specially adapted for instruction of the blind; and the total amount of such books and other materials so manufactured and furnished by such appropriation shall each year be distributed among all the public and private nonprofit institutions in the States, territories and possessions of the United States, the Commonwealth of Puerto Rico, and the District of Columbia, in which blind pupils are educated. Each public and private nonprofit institution for the education of the blind shall receive, in books and other materials, upon requisition of its superintendent, that portion of the appropriation as is shown by the ratio between the number of blind pupils in that institution and the total number of blind pupils in all of the public and private nonprofit institutions in which blind pupils are educated. Each chief State school officer shall receive, in books and other materials, upon requisition, that portion of the appropriation as is shown by the ratio between the number of blind pupils in public and private nonprofit institutions (in the State) in which blind pupils are educated, other than institutions to which the preceding sentence is applicable, and the total number of blind pupils in the public and private nonprofit institutions in which blind pupils are educated in all of the States, territories, and possessions of the United States, the Commonwealth of Puerto Rico, and the District of Columbia. The ratio referred to in each of the two immediately preceding sentences shall be computed upon the first Monday in January of each year; and for purposes of such sentences the number of blind pupils in public and private nonprofit institutions in which blind pupils are educated shall be authenticated in such manner and as often as the trustees of the American Printing House for the Blind shall require. For purposes of this Act, an institution for the education of the blind is any institution which provides education exclusively for the blind, or exclusively for the blind and other handicapped children (in which case special classes are provided for the blind); the chief State school officer of a State is the superintendent of public elementary and secondary schools in such State or, if there is none, such other official as the Governor certifies to have comparable responsibility in the State; and a blind pupil is a blind individual pursuing a course of study in an institution of less than college grade.

(B) The portion of the appropriation received by each chief State school officer, in such books and other materials under subparagraph (A) of this paragraph which represents the number of blind pupils in private nonprofit institutions in such State in which blind pupils are educated shall be distributed among such institutions on the basis of the number of blind pupils in each such institution as compared to the total number of such pupils in all of the private nonprofit institutions in which blind pupils are educated in such State.

(C) All books and other materials furnished pursuant to this Act, and control and administration of their use, shall vest only in a public agency. Such books and materials made available pursuant to this Act for use of teachers and blind pupils in any State, Territory, or possession of the United States, the Commonwealth of Puerto Rico, and the District of Columbia in any school shall be limited to those books and materials which have been approved by an appropriate educational authority or agency of such State, Territory, possession, Commonwealth, or District, or any local educational authority thereof, for use, or are used, in a public elementary or secondary school therein. the superintendent of public elementary and secondary schools in such State or, if there is none, such other official as the Governor certifies to have comparable responsibility in the State; and a blind pupil is a blind individual pursuing a course of study in an institution of less than college grade.

Second. No part of the income from said bonds shall be expended in the erection or leasing of buildings; but the trustees of the American Printing House for the Blind may use each year a reasonable sum of the annual appropriation for salaries and other expenses of experts and other staff to assist special committees which may be appointed in performance of their functions, and for expenses of such special committees.

Third. No profit shall be put on any books or tangible apparatus for the instruction of the blind manufactured or furnished by the trustees of said American Printing House for the Blind, located in Louisville, Kentucky; and the price put upon each article so manufactured or furnished shall only be its actual cost.

Fourth. The Secretary of the Treasury of the United States shall have the authority to withhold the income arising from said bonds thus set apart for the education of the blind of the United States whenever he shall receive satisfactory proof that the trustees of said American Printing House for the Blind, located in Louisville, Kentucky, are not using the income from these bonds for the benefit of the blind in the public and private nonprofit institutions for the education of the Blind in the United States.

Fifth. Before any money be paid to the treasurer of the American Printing House for the Blind by the Secretary of the Treasury of the United States, the treasurer of the American Printing House for the Blind shall execute a bond, with two approved sureties, to the amount of twenty thousand dollars, conditioned that the interest so received shall be expended according to this law and all amendments thereto, which shall be held by the Secretary of the Treasury of the United States, and shall be renewed every two years.

Sixth. The superintendent of each public institution for the education of the blind (or his designee) and the chief State school officer (or his designee), of each State and possession of the United States, the Commonwealth of Puerto Rico, and the District of Columbia, shall each, ex officio, be a member of the Board of Trustees of the American Printing House for the Blind only for purposes of administering this Act.

(20 U.S.C. 102) Enacted Mar. 3, 1879, ch. 186, 45th Cong., 3rd sess., sec. 3, 20 Stat. 468; amended Aug. 2, 1956, C. 882, P.L. 922, 84th Cong., sec. 1, 70 Stat. 938; amended Sept. 22, 1961, P.L. 87–924, secs. 1–3, 75 Stat. 627; amended April 13, 1970, P.L. 91–230, Title VIII, sec. 811(a), 84 Stat. 194; and further amended April 13, 1970, P.L. 91–230, Title VIII, sec. 811(b), 84 Stat. 195.

Sec. 4. That the trustees of said American Printing House for the Blind shall annually make to the Secretary of the Treasury of the United States[6] a report of the items of their expenditure of the income of said bonds during the year preceding their report, and shall annually furnish him with a voucher from each public or private nonprofit institution for the education of the blind, showing that the amount of books and tangible apparatus due has been received.

(20 U.S.C. 104) Enacted Mar. 3, 1879, ch. 186, 45th Cong., 3rd sess. sec. 4. 29 Stat. 469; amended June 25, 1906, C. 3536, 34 Stat. 460; amended Apr. 13, 1970, P.L. 91–230, Title VIII, sec. 811(c), 84 Stat. 195.

Sec. 5. That this act shall take effect from and after its passage.

AN ACT To modify the requirements of the Act entitled "An Act to promote the education of the blind," approved March third, eighteen hundred and seventy-nine

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the sum of two hundred and fifty thousand dollars heretofore invested in United States registered four per centum bonds, funded loan of nineteen hundred and seven, inscribed "Secretary of the Treasury, trustee—interest to the Treasurer of the United States for credit of appropriation 'To promote the education of the blind,'" shall upon the maturity and redemption of said bonds on the first day of July, nineteen hundred and seven, in lieu of reinvestment in other Government bonds, be set apart and credited on the books of the Treasury Department as a perpetual trust fund; and the sum of ten thousand dollars, being equivalent to four per centum on the principal of said trust fund, be, and the same is hereby, appropriated, out of any moneys in the Treasury not otherwise appropriated, and such appropriation shall be deemed a permanent annual appropriation, and shall be expended in the manner and for the purposes authorized by the Act approved March third, eighteen hundred and seventy-nine, entitled, "An Act to promote the education of the blind," approved March third, eighteen hundred and seventy-nine.

(20 U.S.C. 101) Enacted June 25, 1906, C. 3536, P.L. 59–288, 34 Stat. 460; amended Aug. 4, 1919, C. 31, 41 Stat. 272; amended Feb. 8, 1927, C. 76, 44 Stat. 1060; amended Aug. 23, 1937, C. 736, 50 Stat. 744; Amended May 22, 1952, C. 321, 66 Stat. 89; amended Aug. 2, 1956, C. 882, sec. 2, 70 Stat. 939; amended Sept. 22, 1961, P.L. 87–294, sec. 4, 72 Stat. 627.

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[6] Functions of Secretary of Treasury with respect to American Printing House for the Blind (except his function relating to administration of perpetual trust fund) transferred to Federal Security Administrator July 1, 1939 (1939 Reorg. Plan No. II, sec. 201(b), 53 Stat. 1431); functions of Federal Security Administrator transferred to Secretary of Health, Education, and Welfare Apr. 11, 1953 (1953 Reorg. Plan No. 1, sec. 5, 18 F.R. 2053, 67 Stat. 631).

AN ACT Providing additional aid to the American Printing House for the Blind

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That for the purpose of enabling the American Printing House for the Blind more adequately to provide books and apparatus for the education of the blind, there is hereby authorized to be appropriated annually to it, in addition to the permanent appropriation of $10,000 made in the Act entitled "An Act to promote the education of the blind", approved March 3, 1879, as amended, such sum as the Congress may determine, which sum shall be expended in accordance with the requirements of said Act, under rules and regulations prescribed by the Secretary of Health, Education, and Welfare, to promote the education of the blind.

(20 U.S.C. 101) enacted June 25, 1906, C. 3536, P.L. 288, 59th Cong., 34 Stat. 460; amended Aug. 4, 1919, C. 31, 41, Stat. 272; amended Feb. 8, 1927, C. 76, 44, Stat. 1060; amended Aug. 23, 1937, C. 736, 50 Stat. 744; amended May 22, 1952, C. 321, 66 Stat. 89; amended Aug. 2, 1956, C. 882, Sec. 2, 70 Stat. 939; amended Sept. 22, 1961, P.L. 87-294, sec. 4, 75 Stat. 627.

AN ACT to make appropriations for the legislative, judicial, and executive expenses of the Government for the fiscal year ending June thirteenth, nineteen hundred and fourteen, and for other purposes

* * * * * * *

The distribution of embossed books manufactured by the American Printing House for the Blind at Louisville, Kentucky, out of the income of the fund provided by the Act of March third, eighteen hundred and seventy-nine, shall hereafter include one copy of every book so manufactured to be deposited in the Library of Congress at Washington.

* * * * * * *

(20 U.S.C. 105) Enacted Mar. 4, 1913, C. 142, P.L. 427, 62d Cong., 37 Stat. 748.

AN ACT making appropriations to supply deficiencies in appropriations for the fiscal year ending June 30, 1920, and prior fiscal years, and for other purposes

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Two copies of each of the publications printed by the American Printing House for the Blind shall be furnished free of charge to the National Library for the Blind located at seventeen hundred and twenty-nine H Street Northwest, Washington, District of Columbia.

* * * * * * *

(20 U.S.C. 103) Enacted Nov. 4, 1919, C. 93, P.L. 73, 66th Cong., 41 Stat. 332.

REORGANIZATION PLAN NO. II

Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, May 9, 1939, pursuant to the provisions of the Reorganization Act of 1939, approved April 3, 1939.

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PART 2.—INDEPENDENT AGENCIES

SECTION 201. *Federal Security Agency.*—Transfers and consolidations relating to the Federal Security Agency are hereby effected as follows:

* * * * * * *

(*b*) *American Printing House for the Blind.*—The functions of the Secretary of the Treasury with respect to the administration of the appropriations for the American Printing House for the Blind (except the function relating to the perpetual trust fund) are hereby transferred to the Federal Security Agency and shall be administered under the direction and supervision of the Federal Security Administrator. The annual report and vouchers required to be furnished to the Secretary of the Treasury by the trustees of the American Printing House for the Blind shall be furnished to the Federal Security Administrator.

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PART 4.—GENERAL PROVISIONS

SEC. 401. *Transfer of Functions of Heads of Departments.*—Except as otherwise provided in this Plan, the functions of the head of any Department relating to the administration of any agency or function transferred from his Department by this Plan, are hereby transferred to, and shall be exercised by, the head of the department or agency to which such transferred agency or function is transferred by this Plan.

SEC. 402. *Transfer of Records, Property, and Personnel.*—All records and property (including office equipment) of the several agencies, and all records and property used primarily in the administration of any functions, transferred by this Plan and, except as otherwise provided, all the personnel used in the administration of such agencies and functions (including officers whose chief duties relate to such administration) are hereby transferred to the respective departments or agencies concerned, for use in the administration of the agencies and functions transferred by this Plan: *Provided* That any personnel transferred to any department or agency by this section found by the head of such department or agency to be in excess of the personnel necessary for the administration of the functions transferred to his department or agency shall be retransferred under existing law to other positions in the Government service, or separated from the service subject to the provisions of section 10(a) of the Reorganization Act of 1939.

SEC. 403. *Transfer of Funds.*—So much of the unexpended balances of appropriations, allocations, or other funds available for the use of any agency in the exercise of any function transferred by this Plan, or for the use of the head of any department or agency in the exercise of any function so transferred, as the Director of the Bureau of the Budget with the approval of the President shall determine, shall be transferred to the department or agency concerned for use in connection with the exercise of the function so transferred. In determining the amount to be transferred the Director of the Bureau of the Budget may include an amount to provide for the liquidation of obligations incurred against such appropriations, allocations, or other funds prior to the transfer: *Provided*, That the use of the unexpended balances of appropriations, allocations, or other funds transferred by this section shall be subject to the provisions of section 4(d)(3) and section 9 of the Reorganization Act of 1939.

SEC. 404. *Transfer of Functions Relating to Personnel.*—Except as prohibited by section 3(b) of the Reorganization Act of 1939, all functions relating to the appointment, fixing of compensation, transfer, promotion, demotion, suspension, or dismissal of persons to or from offices and positions in any department vested by law in any officer of such department other than the head thereof are hereby transferred to the head of such department and shall be administered under his direction and supervision by such division, bureau, office, or persons as he shall determine.

(Effective July 1, 1939) 4 F.R. 2732, 53 Stat. 1431, 1433–1435.

APPENDIX—TEXT OF SELECTED STATUTES

Appalachian Regional Development Act

(P.L. 89–4)

AN ACT To provide public works and economic development programs and the planning and coordination needed to assist in development of the Appalachian region.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Appalachian Regional Development Act of 1965".

(40 U.S.C. App. 1 note) Enacted Mar. 9, 1965, P.L. 89–4, sec. 1, 79 Stat. 5.

FINDINGS AND STATEMENT OF PURPOSE

SEC. 2. The Congress hereby finds and declares that the Appalachian region of the United States, while abundant in natural resources and rich in potential, lags behind the rest of the Nation in its economic growth and that its people have not shared properly in the Nation's prosperity. The region's uneven past development, with its historical reliance on a few basic industries and a marginal agriculture, has failed to provide the economic base that is a vital prerequisite for vigorous, self-sustaining growth. The State and local governments and the people of the region understand their problems and have been working and will continue to work purposefully toward their solution. The Congress recognizes the comprehensive report of the President's Appalachian Regional Commission documenting these findings and concludes that regionwide development is feasible, desirable, and urgently needed. It is, therefore, the purpose of this Act to assist the region in meeting its special problems, to promote its economic development, and to establish a framework for joint Federal and State efforts toward providing the basic facilities essential to its growth and attacking its common problems and meeting its common needs on a coordinated and concerted regional basis. The public investments made in the region under this Act shall be concentrated in areas where there is a significant potential for future growth, and where the expected return on public dollars invested will be the greatest. The States will be responsible for recommending local and State projects, within their borders, which will receive assistance under this Act. As the region obtains the needed physical and transportation facilities and develops its human resources, the Congress expects that the region will generate a diversified industry, and that the region will then be able to support itself, through the workings of a strengthened free enterprise economy.

Enacted Mar. 9, 1965, P.L. 89–4, sec. 2, 79 Stat. 5.

TITLE I—THE APPALACHIAN REGIONAL COMMISSION

MEMBERSHIP AND VOTING

SEC. 101. (a) There is hereby established an Appalachian Regional Commission (hereinafter referred to as the "Commission") which shall be composed of one Federal member, hereinafter referred to as the "Federal Cochairman", appointed by the President by and with the advice and consent of the Senate, and one member from each participating State in the Appalachian region. The Federal Cochairman shall be one of the two Cochairmen of the Commission. Each State member may be the Governor, or his designee, or such other person as may be provided by the law of the State which he represents. The State members of the Commission shall elect a Cochairman of the Commission from among their number.

(b) Except as provided in section 105, decisions by the Commission shall require the affirmative vote of the Federal Cochairman and of a majority of the State members (exclusive of members representing States delinquent under section 105). In matters coming before the Commission, the Federal Cochairman shall, to the extent practicable, consult with the Federal departments and agencies having an interest in the subject matter.

(c) Each State member shall have an alternate, appointed by the Governor or as otherwise may be provided by the law of the State which he represents. The President, by and with the advice and consent of the Senate, shall appoint an alternate for the Federal Cochairman. An alternate shall vote in the event of the absence, death, disability, removal, or resignation of the State or Federal representative for which he is an alternate.

(d) The Federal Cochairman shall be compensated by the Federal Government at level IV of the Federal Executive Salary Schedule of the Federal Executive Salary Act of 1964. His alternate shall be compensated by the Federal Government at not to exceed the maximum scheduled rate for grade GS–18 of the Classification Act of 1949, as amended, and when not actively serving as an alternate for the Federal Cochairman shall perform such functions and duties as are delegated to him by the Federal Cochairman. Each State member and his alternate shall be compensated by the State which they represent at the rate established by the law of such State.

(40 U.S.C. App. 101) Enacted Mar. 9, 1965, P.L. 89–4, sec. 101, 79 Stat. 6.

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TITLE II—SPECIAL APPALACHIAN PROGRAMS

PART A—NEW PROGRAMS

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DEMONSTRATION HEALTH PROJECTS

SEC. 202. (a) In order to demonstrate the value of adequate health facilities and services to the economic development of the region, the Secretary of Health, Education, and Welfare is authorized to make grants for the planning, construction, equipment, and operations of multicounty demonstration health projects, including hospitals, regional health diagnostic and treatment centers, and other facilities and services necessary to health. Grants for such construction (including the acquisition of privately owned facilities not operated for profit and initial equipment) shall be made in accordance with the applicable provisions of title VI of the Public Health Service Act (42 U.S.C. 291–291o), the Mental Retardation Facilities and Community Mental Health Centers Construction Act of 1963 (77 Stat. 282), and other laws authorizing grants for the construction of health-related facilities, without regard to any provisions therein relating to appropriation authorization ceilings or to allotments among the States. Grants under this section shall be made solely out of funds specifically appropriated for the purpose of carrying out this Act and shall not be taken into account in the computation of the allotments among the States made pursuant to any other provision of law.

(b) No grant for the construction or equipment of any component of a demonstration health project shall exceed 80 per centum of such costs. The Federal contribution may be provided entirely from funds authorized under this section or in combination with funds provided under other Federal grant-in-aid programs for the construction or equipment of health-related facilities. Notwithstanding any provision of law limiting the Federal share in such other programs, funds authorized under this section may be used to increase Federal grants for component facilities of a demonstration health project to a maximum of 80 per centum of the costs of such facilities.

(c) Grants under this section for operation (including initial operating funds and operating deficits comprising among other items the costs of attracting, training, and retaining qualified personnel) of a demonstration health project, whether or not constructed with funds authorized by this section, may be made for up to 100 per centum of the costs thereof for the two-year period beginning, for each component facility or service assisted under any such operating grant, on the first day that such facility or service is in operation as a part of the project. For the next three years of operations such grants shall not exceed 50 per centum of such costs. No grant for operation of a demonstration health project shall be made unless the facility is publicly owned, or owned by a public or private nonprofit organization, and is not operated for profit. No grants for operation of a demonstration health project shall be made after five years following the commencement of the initial grant for operation of the project. No such grants shall be made unless the Secretary of Health, Education, and Welfare is satisfied that the operation of the project will be conducted under efficient management practices designed to obviate operating deficits. Notwithstanding section 104 of the Public Works and Economic Development Act of 1965 (79 Stat. 554), a health-related facility constructed under title I of that Act may be a component of a demonstration health project eligible for operating grant assistance under this section.

(d) The Secretary of Health, Education, and Welfare is authorized to provide funds to the Commission for the support of its Health Advisory Committee and to make grants for expenses of planning necessary for the development and operation of demonstration health projects for the region. The amount of any such grant shall not exceed 75 per centum of such expenses.

(e) Not to exceed $50,000,000 of the funds authorized in section 401 of this Act for the two-fiscal-year period ending June 30, 1969, shall be available to carry out this section.

(40 U.S.C. App. 202) Enacted Mar. 9, 1965, P.L. 89-4, sec. 202, 79 Stat. 11; amended Oct. 11, 1967, P.L. 90-103, sec. 107, 81 Stat. 259.

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PART B—SUPPLEMENTATIONS AND MODIFICATIONS OF EXISTING PROGRAMS

VOCATIONAL EDUCATION FACILITIES

SEC. 211. (a) In order to provide basic facilities to give the people of the region the training and education they need to obtain employment, the Secretary of Health, Education, and Welfare is authorized to make grants for construction of the school facilities and for the equipment of such facilities and other school facilities needed for the provision of vocational education in areas of the region in which such education is not now adequately available. Such grants shall be made in accordance with the provisions of the Vocational Education Act of 1963 (77 Stat. 403), without regard to any provisions therein relating to appropriation authorization ceilings or to allotments among the States. Grants under this section shall be made solely out of funds specifically appropriated for the purpose of carrying out this Act, and shall not be taken into account in the computation of the allotments among the States made pursuant to any other provision of law.

(b) Not to exceed $26,000,000 of the funds authorized in section 401 of this Act for the two-fiscal-year period ending June 30, 1969, shall be available to carry out this section.

(40 U.S.C. App. 211) Enacted Mar. 9, 1965, P.L. 89-4, sec. 211, 79 Stat. 16; amended Oct. 11, 1967, P.L. 90-103, sec. 113, 81 Stat. 262.

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SUPPLEMENTS TO FEDERAL GRANT-IN-AID PROGRAMS

Sec. 214. (a) In order to enable the people, States, and local communities of the region, including local development districts, to take maximum advantage of Federal grant-in-aid programs (as hereinafter defined) for which they are eligible but for which, because of their economic situation, they cannot supply the required matching share, the President is authorized to provide funds to the Federal Cochairman to be used for the sole purpose of increasing the Federal contribution to projects under Federal grant-in-aid programs, as hereafter defined, above the fixed maximum portion of the cost of such projects otherwise authorized by the applicable law. Funds shall be so provided for Federal grant-in-aid programs for which funds are available under the Acts authorizing such programs and shall be available without regard to any appropriation authorization ceilings in such Acts. Any finding, report, certification, or documentation required to be submitted to the head of the department, agency, or instrumentality of the Federal Government responsible for the administration of any Federal grant-in-aid program shall be accepted by the Federal Cochairman with respect to a supplemental grant for any project under such program.

(b) The Federal portion of such costs shall not be increased in excess of the percentages established by the Commission, and shall in no event exceed 80 per centum thereof.

(c) The term "Federal grant-in-aid programs" as used in this section means those Federal grant-in-aid programs authorized by this Act for the construction or equipment of facilities, and all other Federal grant-in-aid programs authorized on or before December 31, 1967, by Acts other than this Act for the acquisition of land or the construction or equipment of facilities, including but not limited to grant-in-aid programs authorized by the following Acts: Federal Water Pollution Control Act; Watershed Protection and Flood Prevention Act; title VI of the Public Health Service Act; Vocational Education Act of 1963; Library Services Act; Federal Airport Act; part IV of title III of the Communications Act of 1934; Higher Education Facilities Act of 1963; Land and Water Conservation Fund Act of 1965; National Defense Education Act of 1958. The term shall not include (A) the program for the construction of the development highway system authorized by section 201 of this Act or any other program relating to highway or road construction, or (B) any other program for which loans or other Federal financial assistance, except a grant-in-aid program, is authorized by this or any other Act.

(d) Not to exceed $97,000,000 of the funds authorized in section 401 of this Act for the two-fiscal-year period ending June 30, 1969, shall be available to carry out this section.

(40 U.S.C. App. 214) Enacted Mar. 9, 1965, P.L. 89–4, sec. 214, 79 Stat. 17; amended Oct. 11, 1967, P.L. 90–103, sec. 116, 81 stat. 263.

PART C—GENERAL PROVISIONS

MAINTENANCE OF EFFORT

SEC. 221. No State and no political subdivision of such State shall be eligible to receive benefits under this Act unless the aggregate expenditures of State funds, exclusive of expenditures for participation in the National System of Interstate and Defense Highways, and exclusive of local funds and Federal funds, for the benefit of the area within the State located in the region are maintained at a level which does not fall below the average level of such expenditures for its last two full fiscal years preceding the date of enactment of this Act [Mar. 9, 1965]. In computing the average level of expenditure for its last two fiscal years, a State's past expenditure for participation in the National System of Interstate and Defense Highways and expenditures of local funds and Federal funds shall not be included. The Commission shall recommend to the President or such Federal officer or officers as the President may designate, a lesser requirement when it finds that a substantial population decrease in that portion of a State which lies within the region would not justify a State expenditure equal to the average level of the last two years or when it finds that a State's average level of expenditure, within an individual program, has been disproportionate to the present need for that portion of the State which lies within the region.

(40 U.S.C. App. 221) Enacted Mar. 9, 1965, P.L. 89–4, sec. 221, 79 Stat. 18; amended Oct. 11, 1967, P.L. 90–103, sec. 117, 81 Stat. 263.

CONSENT OF STATES

SEC. 222. Nothing contained in this Act shall be interpreted as requiring any State to engage in or accept any program under this Act without its consent.

(40 U.S.C. App. 222) Enacted Mar. 9, 1965, P.L. 89–4, sec. 222, 79 Stat. 18.

PROGRAM IMPLEMENTATION

SEC. 223. No program or project authorized under any section of this title shall be implemented until (1) applications and plans relating to the program or project have been determined by the responsible Federal official to be compatible with the provisions and objectives of Federal laws which he administers that are not inconsistent with this Act, and (2) the Commission has approved such program or project and has determined that it meets the applicable criteria under section 224 and will contribute to the development of the region, which determination shall be controlling.

(40 U.S.C. App. 223) Enacted Mar. 9, 1965, P.L. 89–4, sec. 223, 79 Stat. 18; amended Oct. 11, 1967, P.L. 90–103, sec. 118, 81 Stat. 264.

PROGRAM DEVELOPMENT CRITERIA

SEC. 224. (a) In considering programs and projects to be given assistance under this Act, and in establishing a priority ranking of the requests for assistance presented to the Commission, the Commission shall follow procedures that will insure consideration of the following factors:

(1) the relationship of the project or class of projects to overall regional development including its location in an area determined by the State have a significant potential for growth;

(2) the population and area to be served by the project or class of projects including the relative per capita income and the unemployment rates in the area;

(3) the relative financial resources available to the State or political subdivisions or instrumentalities thereof which seek to undertake the project;

(4) the importance of the project or class of projects in relation to other projects or classes of projects which may be in competition for the same funds; and

(5) the prospects that the project for which assistance is sought will improve, on a continuing rather than a temporary basis, the opportunities for employment, the average level of income, or the economic and social development of the area served by the project.

(b) No financial assistance shall be authorized under this Act to be used (1) to assist establishments relocating from one area to another; (2) to finance the cost of industrial plants, commercial facilities, machinery, working capital, or other industrial facilities or to enable plant subcontractors to undertake work theretofore performed in another area by other subcontractors or contractors; (3) to finance the cost of facilities for the generation, transmission, or distribution of electric energy; or (4) to finance the cost of facilities for the production, transmission, or distribution of gas (natural, manufactured, or mixed).

(40 U.S.C. App. 224) Enacted Mar. 9, 1965, P.L. 89–4, sec. 224, 79 Stat. 18; amended Oct. 11, 1967, P.L. 90–103, sec. 119, 81 Stat. 264.

TITLE III—ADMINISTRATION

LOCAL DEVELOPMENT DISTRICTS; CERTIFICATION

SEC. 301. For the purposes of this Act, a "local development district" shall be an entity certified to the Commission either by the Governor of the State or States in which such entity is located, or by the State officer designated by the appropriate State law to make such certification, as having a charter or authority that includes the economic development of counties or parts of counties or other political subdivisions within the region. No entity shall be certified as a local development district for the purposes of this Act unless it is one of the following:

(1) a nonprofit incorporated body organized or chartered under the law of the State in which it is located;

(2) a nonprofit agency or instrumentality of a State or local government;

(3) a nonprofit agency or instrumentality created through an interstate compact; or

(4) a nonprofit association or combination of such bodies, agencies, and instrumentalities.

(40 U.S.C. App. 301) Enacted Mar. 9, 1965, P.L. 89-4, sec. 301, 79 Stat. 19.

GRANTS FOR ADMINISTRATIVE EXPENSES OF LOCAL DEVELOPMENT DISTRICTS AND FOR RESEARCH AND DEMONSTRATION PROJECTS

SEC. 302. (a) The President is authorized—

(1) to make grants to the Commission for administrative expenses, including technical services, of local development districts, but (A) the amount of any such grant shall not exceed 75 per centum of such expenses, (B) no grants for administrative expenses shall be made for a local development district for a period in excess of three years beginning on the date the initial grant is made for such development district, and (C) the local development district contributions for administrative expenses may be in cash or in kind, fairly evaluated, including but not limited to space, equipment, and services; and

(2) to make grants to the Commission for investigation, research, studies, technical assistance, and demonstration projects, and for training programs, but not for construction purposes, which will further the purposes of this Act.

(b) The Commission is authorized to make a survey and study of acid pollution in the region resulting from mining activities and the effects of such pollution, in full cooperation with the Secretary of the Interior and other appropriate Federal, State, and local departments and agencies, with the objective of developing a comprehensive action program for the appropriate control, reduction, or elimination of such pollution in the region or the effects of such pollution. The Commission shall submit to the President a report, including specific recommendations for such program and for the policies under which it should be conducted, and the President shall submit the report to the Congress, together with his recommendations, not later than March 31, 1969. The study shall, among other matters—

(1) Identify sources of acid mine pollution in the region and their type, area, ownership, and other characteristics; the relative contribution of each source; and the impact of each source on water quality in the streams affected.

(2) Identify present and potential water-using and other activities which are affected by acid mine pollution in the region, or orginating in the region, and the economic and social costs and effects attributable to such pollution.

(3) Identify known methods and costs for the control and abatement of acid mine pollution.

(4) Estimate economic and social benefits, public and private, that are likely to result from reducing to various levels acid mine pollution in the streams of the region and identify the types of beneficiaries and the relative distribution of the benefits to such beneficiaries.

(5) Consider the appropriate roles of Federal, State, and private interests in programs for the control, reduction, or elimination of acid mine pollution in the region and the relative costs which each should bear, including specifically (A) the extent, if any, to which private interests can bear the cost of such programs within the economics of mining activity, (B) the effectiveness of past action by Federal, State, and local units of government in remedying or controlling the adverse effects of acid mine pollution, (C) relationships which might be established among Federal, State, and local units of government, and with private interests, or implementing and funding such programs, and (D) the need for appropriate Federal and State legislation, including adequate enforcement provisions, for such programs.

(6) Formulate a program for the appropriate control, reduction, or elimination of acid mine pollution in the region, including the identification of specific objectives and costs, with due consideration to: (A) the developmental effects of the program, (B) the economic benefits of the program in relation to costs, (C) the social effects of the program, (D) the avoidance of unwarranted financial gain to private interests, and (E) the types and sources of aid required to accomplish the program.

(c)(1) The Commission shall, as required by the President, maintain accurate and complete records of transactions and activities financed with Federal funds and report thereon to the President. The records of the Commission shall be available for audit with respect to such grants by the President and the Comptroller General or their duly authorized representatives.

(2) Recipients of Federal assistance under the provisions of this section shall, as required by the Commission, maintain accurate and complete records of transactions and activities financed with Federal funds and report thereon to the Commission. Such records shall be available for audit by the President, the Comptroller General, and the Commission or their duly authorized representatives.

(d) Not to exceed $11,000,000 of the funds authorized in section 401 of this Act for the two-fiscal-year period ending June 30, 1969, shall be available to carry out this section. Not to exceed $3,000,000 of such authorization shall be available for the purposes of subsection (b).

(e) No part of any appropriated funds may be expended pursuant to authorization given by this Act involving any scientific or technological research or development activity unless such expenditure is conditioned upon provisions effective to insure that all information, copyrights, uses, processes, patents, and other developments resulting from that activity will be made freely available to the general public. Nothing contained in this subsection shall deprive the owner of any background patent relating to any such activity, without his consent, of any right which that owner may have under that patent. Whenever any information, copyright, use, process, patent or development resulting from any such research or development activity conducted in whole or in part with appropriated funds expended under authorization of this Act is withheld or disposed of by any person, organization, or agency in contravention of the provisions of this subsection, the Attorney General shall institute, upon his own motion or upon request made by any person having knowledge of pertinent facts, an action for the enforcement of the provisions of this subsection in the district court of the United States for any judicial district in which any defendant resides, is found, or has a place of business. Such court shall have jurisdiction to hear and determine such action, and to enter therein such orders and decrees as it shall determine to be required to carry into effect fully the provisions of this subsection. Process of the district court for any judicial district in any action instituted under this subsection may be served in any other judicial district of the United States by the United States marshal thereof. Whenever it appears to the court in which any such action is pending that other parties should be brought before the court in such action, the court may cause such other parties to be summoned from any judicial district of the United States.

(40 U.S.C. App. 302) Enacted Mar. 9, 1965, P.L. 89–4, sec. 302, 70 Stat. 19; amended Oct. 11, 1967, P.L. 90–103, sec. 120, 61 Stat. 264.

PROJECT APPROVAL

Sec. 303. An application for a grant or for any other assistance for a program or project under this Act shall be made through the State member of the Commission representing such applicant, and such State member shall evaluate the application for approval. Only applications for programs and projects which are approved by a State member as meeting the requirements for assistance under the Act shall be approved for assistance. No project shall be approved by the Commission unless the Commission is satisfied that the project will be properly administered, operated, and maintained.

(40 U.S.C. App. 303) Enacted Mar. 9, 1965, P.L. 89–4, sec. 303, 79 Stat. 20; amended Oct. 11, 1967, P.L. 90–103, sec. 121, 81 Stat. 265.

ANNUAL REPORT

Sec. 304. Not later than six months after the close of each fiscal year, the Commission shall prepare and submit to the Governor of each State in the region and to the President, for transmittal to the Congress, a report on the activities carried out under this Act during such year.

(40 U.S.C. App. 304) Enacted Mar. 9, 1965, P.L. 89–4, sec. 304, 79 Stat. 20.

TITLE IV—APPROPRIATIONS AND MISCELLANEOUS PROVISIONS

AUTHORIZATION OF APPROPRIATIONS

Sec. 401. In addition to the appropriations authorized in section 105 and in section 201 for the Appalachian development highway system and local access roads, there is hereby authorized to be appropriated to the President, to be available until expended, not to exceed

$170,000,000 for the two-fiscal-year period ending June 30, 1969, to carry out this Act.

(40 U.S.C. App. 401) Enacted Mar. 9, 1965, P.L. 89–4, sec. 401, 79 Stat. 21; amended Oct. 11, 1967, P.L. 90–103, sec. 122, 81 Stat. 266.

APPLICABLE LABOR STANDARDS

Sec 402. All laborers and mechanics employed by contractors or subcontractors in the construction, alteration, or repair, including painting and decorating, of projects, buildings, and works which are financially assisted through the Federal funds authorized under this Act, shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a–276a–5). The Secretary of Labor shall have with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176, 64 Stat. 1267, 5 U.S.C. 133–133z–15), and section 2 of the Act of June 13, 1934, as amended (48 Stat. 948, as amended; 40 U.S.C. 276(c)[1]).

(40 U.S.C. App. 402). Enacted Mar. 9, 1965, P.L. 89–4, sec. 402, 79 Stat. 21.

DEFINITION OF APPALACHIAN REGION

Sec. 403. As used in this Act, the term "Appalachian region" or "the region" means that area of the eastern United States consisting of the following counties (including any political subdivision located within such area):

In Alabama, the counties of Bibb, Blount, Calhoun, Chambers, Cherokee, Chilton, Clay, Cleburne, Colbert, Coosa, Cullman, De Kalb, Elmore, Etowah, Fayette, Franklin, Jackson, Jefferson, Lamar, Lauderdale, Lawrence, Limestone, Madison, Marion, Marshall, Morgan, Pickens, Randolph, Saint Clair, Shelby, Talladega, Tallapoosa, Tuscaloosa, Walker, and Winston;

In Georgia, the counties of Banks, Barrow, Bartow, Carroll, Catoosa, Chattooga, Cherokee, Dade, Dawson, Douglas, Fannin, Floy, Forsyth, Franklin, Gilmer, Gordon, Gwinnett, Habersham, Hall, Haralson, Heard, Jackson, Lumpkin, Madison, Murray, Paulding, Pickens, Polk, Rabun, Stephens, Towns, Union, Walker, White, and Whitfield;

In Kentucky, the counties of Adair, Bath, Bell, Boyd, Breathitt, Carter, Casey, Clark, Clay, Clinton, Cumberland, Elliott, Estill, Fleming, Floyd, Garrard, Green, Greenup, Harlan, Jackson, Johnson, Knott, Knox, Laurel, Lawrence, Lee, Leslie, Letcher, Lewis, Lincoln, McCreary Madison, Magoffin, Martin, Menifee, Monroe, Montgomery, Morgan, Owsley, Perry, Pike, Powell, Pulaski, Rockcastle, Rowan, Russell, Wayne, Whitley and Wolfe;

In Maryland, the counties of Allegany, Garrett, and Washington;

In Mississippi, the counties of Alcorn, Benton, Chickasaw, Choctaw, Clay, Itawamba, Kemper, Lee, Lowndes, Marshall, Monroe, Noxubee, Oktibbeha, Pontotoc, Prentiss, Tippah, Tishomingo, Union, Webster, and Winston;

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[1] So in original. Probably should read "40 U.S.C. 276c".

In New York, the counties of Allegany, Broome, Cattaraugus, Chautauqua, Chemung, Chenango, Cortland, Delaware, Otsego, Schoharie, Schuyler, Steuben, Tioga, and Tompkins; and

In North Carolina, the counties of Alexander, Alleghany, Ashe, Avery, Buncombe, Burke, Caldwell, Cherokee, Clay, Davie, Forsyth, Graham, Haywood, Henderson, Jackson, McDowell, Macon, Madison, Mitchell, Polk, Rutherford, Stokes, Surry, Swain, Transylvania, Watauga, Wilkes, Yadkin, and Yancey;

In Ohio, the counties of Adams, Athens, Belmont, Brown, Carroll, Clermont, Coshocton, Gallia, Guernsey, Harrison, Highland, Hocking, Holmes, Jackson, Jefferson, Lawrence, Meigs, Monroe, Morgan, Muskingum, Noble, Perry, Pike, Ross, Scioto, Tuscarawas, Vinton, and Washington;

In Pennsylvania, the counties of Allegheny, Armstrong, Beaver, Bedford, Blair, Bradford, Butler, Cambria, Cameron, Carbon, Centre, Clarion, Clearfield, Clinton, Columbia, Crawford, Elk, Erie, Fayette, Forest, Fulton, Greene, Huntingdon, Indiana, Jefferson, Juniata, Lackawanna, Lawrence, Luzerne, Lycoming, McKean, Mercer, Mifflin, Monroe, Montour, Northumberland, Perry, Pike, Potter, Schuylkill, Snyder, Somerset, Sullivan, Susquehanna, Tioga, Union, Venango, Warren, Washington, Wayne, Westmoreland, and Wyoming;

In South Carolina, the counties of Anderson, Cherokee, Greenville, Oconee, Pickens, and Spartanburg;

In Tennessee, the counties of Anderson, Bledsoe, Blount, Bradley, Campbell, Cannon, Carter, Claiborne, Clay, Cocke, Coffee, Cumberland, De Kalb, Fentress, Franklin, Grainger, Greene, Grundy, Hamblen, Hamilton, Hancock, Hawkins, Jackson, Jefferson, Johnson, Knox, Loudon, McMinn, Macon, Marion, Meigs, Monroe, Morgan, Overton, Pickett, Polk, Putnam, Rhea, Roane, Scott, Sequatchie, Sevier, Smith, Sullivan, Unicoi, Union, Van Buren, Warren, Washington, and White;

In Virginia, the counties of Alleghany, Bath, Bland, Botetourt, Buchanan, Carroll, Craig, Dickenson, Floyd, Giles, Grayson, Highland, Lee, Pulaski, Russell, Scott, Smyth, Tazewell, Washington, Wise, and Wythe;

All the counties of West Virginia.

No recommendation for any change in the definition of the Appalachian region as set forth in this section shall be proposed or considered by the Commission without a prior resolution by the Committee on Public Works of the Senate or of the House of Representatives, directing a study of such change.

(40 U.S.C. App. 403) Enacted Mar. 9, 1965, P.L. 89–4, sec. 403, 79 Stat. 21; amended Oct. 11, 1967, P.L. 90–103, sec. 123, 81 Stat. 266.

SEVERABILITY

Sec. 404. If any provision of this Act, or the applicability thereof to any person or circumstance, is held invalid, the remainder of this Act, and the application of such provision to other persons or circumstances, shall not be affected thereby.

(40 U.S.C. App. 404) Enacted Mar. 9, 1965, P.L. 89–4, sec. 404, 79 Stat. 23.

ECONOMIC OPPORTUNITY ACT OF 1964 AS AMENDED [1]

AN ACT To mobilize the human and financial resources of the Nation to combat poverty in the United States.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Economic Opportunity Act of 1964."

FINDINGS AND DECLARATION OF PURPOSE

SEC. 2. Although the economic well-being and prosperity of the United States have progressed to a level surpassing any achieved in world history, and although these benefits are widely shared throughout the Nation, poverty continues to be the lot of a substantial number of our people. The United States can achieve its full economic and social potential as a nation only if every individual has the opportunity to contribute to the full extent of his capabilities and to participate in the workings of our society. It is therefore, the policy of the United States to eliminate the paradox of poverty in the midst of plenty in this Nation by opening to everyone the opportunity for education and training, the opportunity to work, and the opportunity to live in decency and dignity. It is the purpose of this Act to strengthen, supplement, and coordinate efforts in furtherance of that policy.

It is the sense of the Congress that it is highly desirable to employ the resources of the private sector of the economy of the United States in all such efforts to further the policy of this Act.

TITLE I—WORK TRAINING AND WORK-STUDY PROGRAMS

PART A—JOB CORPS

STATEMENT OF PURPOSE

SEC. 101. This part establishes a Job Corps for low-income, disadvantaged young men and women, sets forth standards and procedures for selecting individuals as enrollees in the Job Corps, authorizes the establishment of residential and/or nonresidential centers in which enrollees will participate in intensive programs of education, vocational training, work experience, counseling, and other activities, and prescribes various other powers, duties, and responsibilities incident to the operation and continuing development of the Job Corps. Its purpose is to assist young persons who need and can benefit from an unusually intensive program, operated in a group setting, to become more responsible, employable, and productive citizens; and to do so in a way that contributes, where feasible, to the development of National, State, and community resources, and to the development and dissemination of techniques for working with the disadvantaged that can be widely utilized by public and private institutions and agencies.

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[1] Amendments included through December 30, 1969.

ESTABLISHMENT OF THE JOB CORPS

SEC. 102. There is herby established within the Office of Economic Opportunity a "Job Corps".

INDIVIDUALS ELIGIBLE FOR THE JOB CORPS

SEC. 103. To become an enrollee in the Job Corps, a young man or woman must be a person who—

(1) is a permanent resident of the United States who has attained age fourteen but not attained age twenty-two at the time of enrollment;

(2) is a low-income individual or member of a low-income family who requires additional education, training, or intensive counseling and related assistance in order to secure and hold meaningful employment, participate successfully in regular schoolwork, qualify for other training programs suitable to his needs, or satisfy Armed Forces requirements;

(3) is currently living in an environment so characterized by cultural deprivation, a disruptive homelife, or other disorienting conditions as to substantially impair his prospects for successful participation in any other program providing needed training, education, or assistance;

(4) is determined, after careful screening as provided for in sections 104 and 105, to have the present capabilities and aspirations needed to complete and secure the full benefit of the program authorized in this part, and to be free of medical and behavioral problems so serious that he could not or would not be able to adjust to the standards of conduct and discipline or pattern of work and training which that program involves; and

(5) meets such other standards for enrollment as the Director may prescribe (including special standards for the enrollment on a residential basis of 14 and 15 year olds) and agrees to comply with all applicable Job Corps rules and regulations.

SCREENING AND SELECTION OF APPLICANTS—GENERAL PROVISIONS

SEC. 104. (a) The Director shall prescribe necessary rules for the screening and selection of applicants for enrollment in the Job Corps. To the extent practicable, these rules shall be implemented through arrangements which make use of agencies and organizations such as community action agencies, public employment offices, professional groups, and labor organizations. The rules shall establish specific standards and procedures for conducting screening and selection activities; shall encourage recruitment through agencies and individuals having contract with youths over substantial periods of time and able, accordingly, to offer reliable information as to their needs and problems; and shall provide for necessary consultation with other individuals and organizations, including court, probation, parole, law enforcement, education, welfare, and medical authorities and advisers. They shall also provide for—

(1) the interviewing of each applicant for the purpose of—

(A) determining whether his educational and vocational needs can best be met through the Job Corps or any alternative program in his home community;

(B) obtaining from the applicant pertinent data relating to his background, needs, and interests for evaluation in determining his eligibility and potential assignment; and

(C) giving the applicant a full understanding of the Job Corps program and making clear what will be treated of him as an enrollee in the event of his acceptance.

(2) the couduct of a careful and systematic inquiry concerning the applicant's background for the effective development and, as appropriate, clarification of information concerning his age, citizenship, school and draft status, health, employability, past behavior, family income, environment, and other matters related to a determination of his eligibility.

(b) The Director shall make no payments to any individual or organization solely as compensation for the service of refering the names of candidates for enrollment in the Job Corps.

(c) The Director shall take all necessary steps to assure that the enrollment of the Job Corps includes an appropriate number of candidates selected from rural areas, taking into account the proportion of eligible youth who reside in rural areas and the need to provide residential facilities for such youth in order to meet problems of wide geographic dispersion.

SCREENING AND SELECTION—SPECIAL LIMITATIONS

SEC. 105. (a) No individual shall be selected as an enrolle unless it is determined that there is reasonable expectation that he can participate successfully in group situations and activities with other enrollees, that he is not likely to engage in actions or behavior that would prevent other enrollees from receiving the benefit of the program or be incompatible with the maintentenance of sound discipline and satisfactory relationships between any center to which he might be assigned and surrounding communities, and that he manifests a basic understanding of both the rules to which he will be subject and of the consequences of failure to observe those rules. Before selecting an individual who has a history of serious and violent behavior against persons or property, repetitive delinquent acts, narcotics addiction, or other major behavioral aberrations, the Director shall obtain a finding from a professional qualified person who knows such potential enrollee's individual situation that there is reasonable expectation that his conduct will not be inimical to the goals and success of the Job Corps and that the opportunity provided by the Job Corps will help him to overcome his problem.

(b) An individual who otherwise qualifies for enrollment may be selected even though he is on probation or parole, but only if his release from the immediate supervision of the cognizant probation or parole officials is mutually satisfactory to those officials and the Director and does not violate applicable laws or regulations, and if the Director has arranged to provide all supervision of the individual and all reports to State or other authorities that may be necessary to comply with applicable probation or parole requirements.

ENROLLMENT AND ASSIGNMENT

SEC. 106. (a) No individual may be enrolled in the Job Corps for more than two years, except as the Director may authorize in special cases.

(b) Enrollment in the Job Corps shall not relieve any individual of obligations under the Universal Military Training and Service Act (50 U.S.C. App. 451 et seq.).

(c) Each enrollee (other than a native and citizens of Cuba described in section 609(3) of this Act of a permanent resident of the Trust Territory of the Pacific Islands) must take and subscribe to an oath or affirmation in the following form: "I do solemnly swear (or affirm) that I bear true faith and allegiance to the United States of America and will support and defend the Constitution and laws of the United States against all its enemies foreign and domestic." The provisions of section 1001 of title 18, United States Code, shall be applicable to this oath or affirmation.

(d) After the Director has determined whether an enrolle is to be assigned to a men's training center, a conservation center, or a women's training center, the center to which he shall be assigned shall be that center of the appropriate type in which a vacancy exists which is closest to the enrollee's home, except that the Director, on an individual basis, may waive this requirement when overriding considerations justify such action. Assignments to centers in areas more remote from the enrollee's home shall be carefully limited to situations in which such action is necessary in order to insure an equitable opportunity for disadvantaged youth from various sections of the country to participate in the program, to prevent undue delays in the assignment of individual enrollees, to provide an assignment which adequately meets the educational or other needs of the enrolee or is necessary for efficiency and economy in the operation of the program.

(e) Assignments of male enrollees shall be made so that, at any one time, at least 40 per centum of those enrollees are assigned to conservation centers as described in section 107, or to other centers or projects where their work activity is primarily directed to the conservation, development, or management of public natural resources or recreational areas and is performed under the direction of personnel of agencies regularly responsible for those functions.

JOB CORPS CENTERS

SEC. 107. (a) The Director may make agreements with Federal, State, or local agencies, or private organizations for the establishment and operation of Job Corps centers. These centers may be residential and/or nonresidential in character and shall be designed and operated so as to provide enrollees, in a well-supervised setting, with education, vocational training, work experience (either in direct program activities or through arrangements with employers), counseling, and other services appropriate to their needs. The centers shall include conservation centers, to be known as Civilian Conservation Centers, to be located primarily in rural areas and to provide, in addition to other training and assistance, programs of work experience focused upon activities to conserve, develop, or manage public natural resources or public recreational areas or to assist in developing community projects in the public interest. They shall also include men's and women's training centers to be located in either urban or rural areas and to provide activities which shall include training and other services appropriate for enrollees who can be expected to participate successfully in training for specific types of skilled or semiskilled employment.

(b) To the extent feasible, men's and women's training centers shall offer education and vocational training opportunities, together with supportive services, on a nonresidential basis to participants in programs described in part B of this title. Such opportunities may be offered on a reimbursable basis or through such other arrangements as the Director may specify.

PROGRAM ACTIVITIES

SEC. 108. (a) Each Job Corps center shall be operated so as to provide enrollees with an intensive, well-organized and fully supervised program of education, vocational training, work experience, planned avocational and recreational activities, physical rehabilitation and development, and counseling. To the fullest extent feasible, the required program for each enrollee shall include activities designed to assist him in choosing realistic career goals, coping with problems he may encounter in his home community or in adjusting to a new community, and planning and managing his daily affairs in a manenr that will best contribute to long-term upward mobility. Center programs shall include required participation in center maintenance support and related work activity as appropriate to assist enrollees in increasing their sense of contribution, responsibility, and discipline.

(b) To the extent practicable, the Director may arrange for enrollee education and vocational training through local public or private educational agencies, vocational educational institutions, or technical institutes where these institutions or institutes can provide training comparable in cost and substantially equivalent in quality to that which he could provide through other means.

(c) Arrangements for education shall, to the extent feasible, provide opportunities for qualified enrollees to obtain the equivalent of a certificate of graduation from high school; and the Director with the concurrence of the Secretary of Health, Education, and Welfare, shall develop certificates to be issued to enrollees who have satisfactorily completed their services in the Job Corps and which will reflect the enrollee's level of educational attainment.

(d) The Director shall prescribe regulations to assure that Job Corps work-experience programs or activities do not displace presently employed workers or impair existing contracts for service and will be coordinated with other work-experience programs in the community.

ALLOWANCE AND SUPPORT

SEC. 109. (a) The Director may provide enrollees with such personal, travel, and leave allowances, and such quarters, subsistence, transportation, equipment, clothing, recreational services, and other expenses as he may deem necessary or appropriate to their needs.

Personal allowances shall be established at a rate not to exceed $35 per month during the first six months of an enrollee's participation in the program and not to exceed $50 per month thereafter, except that allowances in excess of $35 per month, but not exceeding $50 per month, may be provided from the beginning of an enrollee's participation if it is expected to be of less than six month's duration and the Director is authorized to pay personal allowances in excess of the rates specified herein in unusual circumstances as determined by him. Such allowances shall be graduated up to the maximum so as to encourage continued participation in the program, achievement and the best use by the enrollee of the funds so provided and shall be subject to reduction in appropriate cases as a disciplinary measure. To the degree reasonable, enrollees shall be required to meet or contribute to costs associated with their individual comfort and enjoyment from their personal allowances.

(b) The Director shall prescribe specific rules governing the accrual of leave by enrollees. Except in the case of emergency, he shall in no event assume transportation costs connected with leave of any enrollee who has not completed at least six months service in the Job Corps.

(c) The Director may provide each former enrollee, upon termination, a readjustment allowance at a rate not to exceed $50 for each month of satisfactory participation in the Job Corps. No enrollee shall be entitled to a readjustment allowance, however, unless he has remained in the program at least ninety days, except in unusual circumstances as determined by the Director. The Director may, from time to time, advance to or on behalf of an enrollee such portions of his readjustment allowance as the Director deems necessary to meet extraordinary financial obligations incurred by that enrollee; and he may also, pursuant to rules or regulations, reduce the amount of an enrollee's readjustment allowance as a penalty for misconduct during participation in the Job Corps. In the event of an enrollee's death during his period of service, the amount of any unpaid readjustment allowance shall be paid in accordance with the provisions of section 5582 of title 5, United States Code.

(d) Under such circumstances as the Director may determine, a portion of the readjustment allowance of an enrollee not exceeding $25 for each month of satisfactory service may be paid during the period of service of the enrollee directly to a spouse or child of an enrollee or to any other relative who draws substantial support from the enrollee, and any sum so paid shall be supplemented by the payment of an equal amount by the Director.

STANDARDS OF CONDUCT

SEC. 110. (a) Within Job Corps centers, standards of conduct and deportment shall be provided and stringently enforced. In the case of violations committed by enrollees, dismissals from the Corps or transfers to other locations shall be made in every instance where it is determined that retention in the Corps, or in the particular Job Corps center, will jeopardize the enforcement of such standards of conduct and deportment or diminish the opportunity of other enrollees.

(b) In order to promote the proper moral and disciplinary conditions in the Job Corps, the individual directors of Job Corps centers shall be given full authority to take appropriate disciplinary measures against enrollees including, but not limited to, dismissal from the Job Corps, subject to expeditious appeal procedures to higher authority, as provided under regulations set by the Director.

COMMUNITY PARTICIPATION

SEC. 111. The Director shall encourage and shall cooperate in activities designed to establish a mutually beneficial relationship between Job Corps centers and surrounding or nearby communities. These activities shall include the establishment of community advisory councils to provide a mechanism for joint discussionof common problems and for planning programs of mutual interest. Whenever possible, such advisory councils shall be formed by and coordinated under the local community action agency. Youth participation in advisory council affairs shall be encouraged and where feasible separate youth councils may be established, to be composed of representative enrollees and representative young people from the communities. The Director shall establish necessary rules and take necessary action to assure that each center is operated in a manner consistent with this section with a view to achieving, so far as possible, objectives which shall include: (1) giving community officials appropriate advance notice of changes in center rules, procedures, or activities that may affect or be of interest to the community; (2) affording the community a meaningful voice in center affairs of direct concern to it, including policies governing the issuance and terms of passes to enrollees; (3) providing center officials with full and rapid access to relevant community groups and agencies, including law enforcement agencies and agencies which work with young people in the community; (4) encouraging the fullest practicable participation of enrollees in programs or projects for community improvement or betterment, with adequate advance consultation with business, labor, professional, and other interested community groups and organizations; (5) arranging recreational, athletic, or similar events in which enrollees and local residents may participate together; (6) providing community residents with opportunities to work, with enrollees directly, as part-time instructors, tutors, or advisers, either in the center or in the community; (7) developing, where feasible, job or career opportunities for enrollees in the community; and (8) promoting interchanges of information and techniques among, and cooperative projects involving, the center and community schools, educational institutions, and agencies serving young people.

COUNSELING AND JOB PLACEMENT

SEC. 112. (a) The Director shall provide for the counseling and testing of each enrollee at regular intervals to follow his progress in educational and vocational programs.

(b) The Director shall counsel and test each enrollee prior to his scheduled termination to determine his capabilities and shall seek to place him in a job in the vocation for which he is trained and in which he is likely to succeed, or shall assist him in attaining further training or education. In placing enrollees in jobs, the Director shall utilize the United States Employment Service to the fullest extent possible.

(c) The Secretary of Labor shall make arrangements to determine the status and progress of terminees and to assure that their needs for further education, training, and counseling may be met.

(d) Upon termination of an enrollee's training, a copy of his pertinent records, including data derived from his counseling and testing, other than confidential information, shall be made available immediately to the Department of Labor and the Office of Economic Opportunity.

(e) The Director shall, to the extent feasible in accordance with section 637(b) of this Act, arrange for the readjustment allowance provided for in section 109(c) of this Act, less any sums already paid pursuant to subsection (d) of that section, to be paid to former enrollees (who have not already found employment) at the public employment service office nearest the home of any such former enrollee, if he is returning to his home, or at the nearest such office to the community in which the former enrollee has indicated an intent to reside. The Secretary of Labor shall make arrangements by which public employment service officers will maintain records regarding former enrollees who are thus paid at such offices including information as to—

(1) the number of former enrollees who have declined the offices' help in finding a job;

(2) the number who were successfully placed in jobs without further education or training;

(3) the number who were found to require further training before being placed in jobs and the types of training programs in which they participated; and

(4) the number who were found to require further remedial or basic education in order to qualify for training programs, together with information as to the type of programs for which such former enrollees were found unqualified for enrollment.

If the Director deems it advisable to utilize the services of any other public or private organization or agency in lieu of the public employment office, he shall arrange for that organization or agency to make the payment of the readjustment allowance and maintain the same types of records regarding former enrollees as are herein specified for maintenance by public employment service offices, and shall furnish copies of such records to the Secretary of Labor. In the case of enrollees who are placed in jobs by the Director prior to the termination of their participation in the Job Corps, the Director shall maintain records providing pertinent placement and follow-up information.

EVALUATION: EXPERIMENTAL AND DEVELOPMENTAL PROJECTS

SEC. 113. (a) The Director shall provide for the careful and systematic evaluation of the Job Corps program, directly or by contracting for independent evaluations, with a view to measuring specific benefits, so far as practicable, and providing information needed to assess the effectiveness of program procedures, policies, and methods of operation. In particular, this evaluation shall seek to determine the costs and benefits resulting from the use of residential as opposed to nonresidential facilities, from the use of facilities combining residential and nonresidential components from the use of centers with large as opposed to small enrollments, and from the use of different types of program sponsors, including public agencies, institutions of higher education, boards of education, and private corporations. The evaluation shall also include comparisons with proper control groups composed of persons who have not participated in the program. In carrying out such evaluations, the Director shall arrange for obtaining the opinions of participants about the strengths and weaknesses of the program and shall consult with other agencies and officials in order to compare the relative effectiveness of Job Corps techniques with those used in other programs, and shall endeavor to secure, through employers, schools, or other Government and private agencies specific information concerning the residence of former enrollees, their employment status, compensation, and success in adjusting to community life. He shall also secure, to the extent feasible, similar information directly from enrollees at appropriate intervals following their completion of the Job Corps program. The results of such evaluation shall be published and shall be summarized in the report required by section 608.

(b) The Director may undertake or make grants or contracts for experimental, research, or demonstration projects directed to developing or testing ways of securing the better use of facilities, of encouraging a more rapid adjustment of enrollees to community life that will permit a reduction in the period of their enrollment, of reducing transportation and support costs, or of otherwise promoting greater efficiency and effectiveness in the program authorized under this part. These projects shall include one or more projects providing youths with education, training, and other supportive services on a combined residential and nonresidential basis. The Director may, if he deems it advisable, undertake one or more pilot projects designed to involve youth who have a history of serious and violent behavior against persons or property, repetitive delinquent acts, narcotics addiction, or other behavioral aberrations. Projects under this subsection shall be developed after appropriate consultation with other Federal or State agencies conducting similar or related programs or projects and with the prime sponsors, as described in part B of this title, in the communities where the projects will be carried out. They may be undertaken jointly with other Federal or federally assisted programs, including programs under part B of this title, and funds otherwise available for activities under those programs shall, with the consent of the head of any agency concerned, be available to projects under this section to the extent they include the same or substantially similar activities. The Director may waive any provision of this title which he finds would prevent the carrying out of elements of projects under this subsection essential to a determination of their feasibility and usefulness. He shall, either in the report required by section 608 or a separate annual document, report to the Congress concerning the actions taken under this section, including a full description of progress made in connection with combined residential and nonresidential projects.

(c) In order to determine whether upgraded vocational education schools could eliminate or substantially reduce the school dropout problem, and to demonstrate how communities could make maximum utilization of existing educational and training facilities, the Director, in cooperation with the Commissioner of Educaton, shall enter into one or more agreements with State educational agencies to pay the cost of establishing and operating model community vocational education schools and skills centers. Such facilities shall be centrally located in an urban area having a high dropout rate, a large number of unemployed youths, and a need in the area for a combination vocational school and skill center. No such agreement shall be entered into unless it contains provisions designed to assure that—

(1) a job survey be made of the area;

(2) the training program of the school and skill center reflect the job market needs as projected by the survey;

(3) an advisory committee composed of representatives of business, labor, education, and community leaders be formed to follow the center's activities and to make periodic recommendations regarding its operation;

(4) arrangements have been worked out with schools in the area and the administrator of the skill center for maximum utilization of the center both during and after school hours; and

(5) such accounting and evaluation procedures as the Director and the Commissioner of Education deem necessary to carry out the purpose of this project will be provided.

ADVISORY BOARDS AND COMMITTEES

Sec. 114. The Director shall make use of advisory committees or boards in connection with the operation of the Job Corps, and the operation of Job Corps centers, whenever he determines that the availibility of outside advice and counsel on a regular basis would be of substantial benefit in identifying and overcoming problems, in planning program or center development, or in strengthening relationships between the Job Corps and agencies, institutions, or groups engaged in related activities. Nothing in this section shall be considered as limiting the functions of the National Advisory Council, established pursuant to section 605 of this Act, with respect to any matter or question involving the Job Corps; but this shall not prevent the establishment of one or more boards or committees under this section.

PARTICIPATION OF THE STATES

Sec. 115 (a) The Director shall take necessary action to facilitate the effective participation of States in the Job Corps program, including, but not limited to, consulation with appropriate State agencies on matters pertaining to the enforcement of applicable State laws, standards or enrollee conduct and discipline, the development of meaningful work experience and other activities for enrollees, and coordination with State-operated programs.

(b) The Director may enter into agreements with States to assist in the operation or administration of State-operated programs which carry out the purpose of this part. The Director may, pursuant to regulations, pay part or all of the operative or administrative costs of such programs.

(c) No Job Corps center or other similar facility designed to carry out the purpose of this Act shall be established within a State unless a plan setting forth such proposed establishment has been submitted to the Governor, and such plan has not been disapproved be him within 30 days of such submission.

APPLICATION OF PROVISIONS OF FEDERAL LAW

SEC. 116. (a) Except as otherwise specifically provided in the following paragraphs of this subsection, enrollees in the Job Corps shall not be considered Federal employees and shall not be subject to the provisions of law relating to Federal employment including those regarding hours of work rates of compensation, leave, unemployment compensation, and Federal employee benefits:

(1) For purposes of the Internal Revenue Code of 1954 (26 U.S.C. 1 et seq.) and title II of the Social Security Act (42 U.S.C. 401 et seq.), enrollees shall be deemed employees of the United States and any service performed by an individual as an enrollee shall be deemed to be performed in the employ of the United States.

(2) For purposes of subchapter I of chapter 81 of title 5 of the United States Code (relating to compensation to Federal employees for work injuries), enrollees shall be deemed civil employees of the United States within the meaning of the term "employee" as defined in section 8101 of title 5, United States Code, and the provisions of that subchapter shall apply except as follows:

(A) The term "performance of duty" shall not include any act of an enrollee while absent from his or her assigned post of duty, except while participating in an activity (including an activity while on pass or during travel to or from such post of duty) authorized by or under the direction and supervision of the Job Corps;

(B) In computing compensation benefits for disability or death, the monthly pay of an enrollee shall be deemed that received under the entrance salary for grade GS-2 employee, and sections 8113 (a) and (b) of title 5, United States Code, shall apply to enrollees; and

(C) Compensation for disability shall not begin to accure until the day following the date on which the injured enrollee is terminated.

(3) For purposes of the Federal tort claims provisions in title 28, United States Code, enrollees shall be considered employees of the Government.

(b) When the Director finds a claim for damage to persons or property resulting from the operation of the Job Corps to be a proper charge against the United States, and it is not cognizable under section 2672 of title 28, United States Code, he may adjust and settle it in an amount not exceeding $500.

(c) Personnel of the uniformed services who are detailed or assigned to duty in the performance of agreements made by the Director for the support of the Corps shall not be counted in computing strength under any law limiting the strength of such services or in computing the percentage authorized by law for any grade therein.

SPECIAL LIMITATIONS

Sec. 117. (a) The Director shall not use any funds made available to carry out this part for the fiscal year ending June 30, 1968, in a manner that will increase the residential capacity of Job Corps centers above forty-five thousands enrollees.

(b) The Director shall take necessary action to assure that on or before June 30, 1968, of the total number of Job Corps enrollees receiving training at least 25 per centum shall be women. The Director shall immediately take steps to achieve an enrollment ratio of 50 per centum women enrollees in training in the Job Corps consistent with (1) efficiency and economy in the operation of the program, (2) sound administrative practice, and (3) the socioeconomic, educational, and training needs of the population to be served.

(c) The Director shall take necessary action to assure that for any fiscal year the direct operating costs of Job Corps centers which have been in operation for more than nine months do not exceed $6,900 per enrollee.

(d) The Director shall take necessary action to assure that all studies, evaluations, proposals, and data produced or developed with Federal funds in the course of the operation of any conservation or training center shall become the property of the United States.

POLITICAL DISCRIMINATION AND POLITICAL ACTIVITY

Sec. 118. (a) No officer or employee of the executive branch of the Federal Government shall make any inquiry concerning the political affiliation or beliefs of any enrollee or applicant for enrollment in the Corps. All disclosures concerning such matters shall be ignored, except as to such membership in political parties or organizations as constitutes by laws a disqualification for Government employment. No discrimination shall be exercised, threatened, or promised by any person in the executive branch of the Federal Government against or in favor of any enrollee in the Corps, or any applicant for enrollment in the Corps because of his political affiliation or beliefs, except as may be specifically authorized or required by law.

(b) No officer, employee, or enrollee of the Corps shall take any active part in political management or in political campaigns, except as may be provided by or pursuant to satute, and no such officer, employee, or enrollee shall use his official position or influence for the purpose of interfering with an election or affecting the result thereof. All such persons shall retain the right to vote as they may choose and to express, in their private capacities, their opinions on all political subjects and candidates. Any officer, employee, enrollee, or Federal employee who solicits funds for political purposes from members of the Corps shall be in violation of the Federal Corrupt Practices Act, 1925.

(c) Whenever the United States Civil Service Commission finds that any person has violated the foregoing provisions, it shall, after giving due notice and opportunity for explanation to the officer or employee concerned, certify the facts to the Director with specific instructions as to discipline or dismissal or other corrective actions.

Part B—Work and Training for Youth and Adults

STATEMENT OF PURPOSE

Sec. 120. The purpose of this part is to provide useful work and training opportunities, together with related services and assistance, that will assist low-income youths to continue or resume their education, and to help unemployed or low-income persons, both young and adult, to obtain and hold regular competitive employment, with maximum opportunities for local initiative in developing programs which respond to local needs and problems, and with emphasis upon a comprehensive approach which includes programs using both public and private resources to overcome the complex problems of the most severely disadvantaged in urban and rural areas having high concentrations or proportions of unemployment, underemployment, and low income.

COMMUNITY PROGRAM AREAS AND COMPREHENSIVE WORK AND TRAINING PROGRAMS

Sec. 121. (a) The Director shall designate or recognize community program areas for the purpose of planning and conducting comprehensive community work and training programs.

(b) For the purpose of this part, a community may be a city, county, multicity, or multicounty unit, an Indian reservation, or a neighborhood or other area (irrespective of boundaries or political subdivisions) which provides a suitable organizational base and possesses the commonality of interest needed for a comprehensive work and training program. The Director shall consult with the heads of other Federal agencies responsible for programs relating to community action, manpower services, physical and economic development, housing, education, health, and other community services to encourage the establishment of coterminous or complementary boundaries for planning purposes among those programs and comprehensive work and training programs assisted under this part.

(c) A comprehensive work and training program must seek to provide participants an unbroken sequence of services which will enable them to obtain and hold employment. It shall provide a systematic approach to planning and implementation including the linkage of relevant component programs authorized by this Act with one another and with other appropriate public and private programs and activities. It shall also provide for evaluation.

PRIME SPONSORS AND DELEGATE AGENCIES

Sec. 122. (a) For each community program area, the Director shall recognize a public or private nonprofit agency which shall serve as the prime sponsor to receive funds under section 123 (except as otherwise provided in section 123(c)). This agency must be capable of planning, administering, coordinating, and evaluating a comprehensive work and training program.

(b) The prime sponsor shall provide for participation of employers and labor organizations in the planning and conduct of the comprehensive work and training programs.

(c) The prime sponsor shall be encouraged to make use of public and private organizations as delegate agencies to carry out components of the comprehensive work and training program including without limitation agencies governed with the participation of the poor and other residents of the neighborhoods or rural areas served, educational institutions, the public employment service, the public welfare agency, other health and welfare agencies, private training institutions, and other capable public and private organizations.

(d) The prime sponsor and delegate agencies shall provide for participation of residents of the area and members of the groups served in the planning, conduct, and evaluation of the comprehensive work and training program and its components. Such persons shall be provided maximum employment opportunity in the conduct of component programs, including opportunity for further occupational training and career advancement.

(e) The Director shall prescribe regulations to assure that programs under this part have adequate internal administrative controls, accounting requirements, personnel standards, evaluation procedures, and other policies as may be necessary to promote the effective use of funds.

ELIGIBLE ACTIVITIES

SEC. 123. (a) The Director may provide financial assistance in urban and rural areas for comprehensive work and training programs or components of such programs, including the following:

(1) programs to provide part-time employment, on-the-job training, and useful work experience for students from low-income families who are in the ninth through twelfth grades of school (or are of an age equivalent to that of students in such grades) and who are in need of the earnings to permit them to resume or maintain attendance in school;

(2) programs to provide unemployed, underemployed, or low-income persons (aged sixteen and over) with useful work and training (which must include sufficient basic education and institutional or on-the-job training) designed to assist those persons to develop their maximum occupational potential and to obtain regular competitive employment;

(3) special programs which involve work activities directed to the needs of those chronically unemployed poor who have poor employment prospects and are unable, because of age, lack of employment opportunity, or otherwise, to secure appropriate employment or training assistance under other programs, and which, in addition to other services provided, will enable such persons to participate in projects for the betterment or beautification of the community or area served by the program, including without limitation activities which will contribute to the management, conservation, or development of natural resources, recreational areas, Federal, State, and local government parks, highways, and other lands;

(4) special programs which provide unemployment or low-income persons with jobs leading to career opportunities, including new types of careers, in programs designed to improve the physical, social, economic, or cultural condition of the community or area served in fields including without limitation health, education, welfare, neighborhood redevelopment, and public safety, which provide maximum prospects for advancement and continued employment without Federal assistance, which give promise of contributing to the broader adoption of new methods of structuring jobs and new methods of providing job ladder opportunities, and which provide opportunities for further occupational training to facilitate career advancement;

(5) special programs which concentrate work and training resources in urban and rural areas having large concentrations or proportions of low-income, unemployed persons, and within those rural areas having substantial outmigration to urban areas, which are appropriately focused to assure that work and training opportunities are extended to the most severely disadvantaged persons who can reasonably be expected to benefit from such opportunities, and which are supported by specific commitments of of cooperation from private and public employers;

(6) supportive and follow-up services to supplement work and training programs under this or other Acts including health services, counseling, day care for children, transportation assistance, and other special services necessary to assist individuals to achieve success in work and training programs and in employment;

(7) employment centers and mobile employment service units to provide recruitment, counseling, and placement services, conveniently located in urban neighborhoods and rural areas and easily accessible to the most disadvantaged;

(8) programs to provide incentives to private employers, other than nonprofit organizations, to train or employ unemployed or low-income persons, including arrangements by direct contact, reimbursements to employers for a limited period when an employee might not be fully productive, payment for on-the-job counseling and other supportive services, payments of all or part of employer costs of sending recruiters into urban and rural areas of high concentrations or proportions of unemployed or low-income persons, and payments to permit employers to provide employees resident in such areas with transportation to and from work or to reimburse such employees for such transportation: *Provided*, That in making such reimbursements to employers the Director shall assure that the wages paid any employee shall not be less than the minimum wage which would be applicable to employment under the Fair Labor Standards Act of 1938 if section 6 of such Act applied to the employee and he was not exempt under section 13 thereof; and

(9) means of planning, administering, coordinating, and evaluating a comprehensive work and training program.

(b) Commencing July 1, 1968, all work and training component programs conducted in a community under this section shall be consolidated into the comprehensive work and training program and financial assistance for such components shall be provided to the prime sponsor unless the Director determines there is a good cause for providing an extension of time, except as otherwise provided by subsection (c). After that date, the work and training components of programs authorized by section 502 of this Act and by section 261 of part E of title II of the Manpower Development and Training Act of 1962 shall to the maximum extent feasible be linked to the comprehensive work and training program, including funding through the prime sponsor where appropriate.

(c) The Director may provide financial assistance to a public agency or private organization other than a prime sponsor to carry out one or more component programs described in subsection (a) when he determines, after soliciting and considering comments of the prime sponsor, if any, that such assistance would enhance program effectiveness or acceptance on the part of persons served and would serve the purposes of this part. In the case of programs under subsection (a) (1) of this section, financial assistance may be provided directly to local or State educational agencies pursuant to agreements between the Director and the Secretary of Labor providing for the operation of such programs under direct grants or contracts.

SPECIAL CONDITIONS

SEC. 124. (a) The Director shall not provide financial assistance for any program under this part unless he determines, in accordance with such regulations as he may prescribe, that—

(1) no participant will be employed on projects involving political parties, or the construction, operation, or maintenance of so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship;

(2) the program will not result in the displacement of employed workers or impair existing contracts for services, or result in the substitution of Federal for other funds in connection with work that would otherwise be performed;

(3) the rates of pay for time spent in work-training and education, and other conditions of employment, will be appropriate and reasonable in the light of such factors as the type of work, geographical region, and proficiency of the participant; and

(4) the program will, to the maximum extent feasible, contribute to the occupational development or upward mobility of of individual participants.

(b) The Director shall terminate financial assistance for any program under this part in any case in which he determines that any person charged, in whole or part, with the responsibility for the administration of the program is a member of the Communist Party.

(c) For programs which provide work and training related to physical improvements, preference shall be given to those improvements which will be substantially used by low-income persons and families or which will contribute substantially to amenities or facilities in urban or rural areas having high concentrations or promotions of low-income persons and families.

(d) Programs approved under this part shall, to the maximum extent feasible, contribute to the elimination of artifical barriers to employment and occupational advancement.

(e) Projects under this part shall provide for maximum feasible use of resources under other Federal programs for work and training and the resources of the private sector.

(f) [1] In the case of a program under section 123(a)(1), the Director shall not limit the number or percentage of the participants in the program who are fourteen of fifteen years of age.

PROGRAM PARTICIPANTS

Sec. 125. (a) Participants in programs under this part must be unemployed or low-income persons. The Director, in consultation with the Social Security Administrator, shall establish criteria for low income, taking into consideration family size, urban-rural and farm-nonfarm differences, and other relevant factors. Any individual shall be deemed to be from a low-income family if the family receives cash welfare payments.

(b) Participants must be permanent residents of the United States or of the Trust Territory of the Pacific Islands.

(c) Participants shall not be deemed Federal employees and shall not be subject to the provisions of law relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employment benefits.

ELDERLY

Sec. 126. The Director shall provide that programs under this part shall be designed to deal with the incidence of long-term unemployment among persons fifty-five years and older. In the conduct of such programs, the Director shall encourage the employment of such persons as regular, part-time, and short-term staff in component programs.

PILOT PROJECTS

Sec. 127. (a) The Director may provide financial assistance to public or private organizations for pilot projects which are designed to develop new approaches to further the objectives of this part. Such projects may be conducted by public agencies or private organizations.

(b) The Director shall undertake pilot projects designed to encourage the maximum participation of private employers, other than nonprofit organizations, in work and training programs under this part.

(c) Befort the Director may approve a pilot project, he shall solicit and consider comments on such project from the prime sponsor, if any, in the community where the project will be undertaken.

TECHNICAL ASSISTANCE AND TRAINING

Sec. 128. The Director may provide (directly or through contracts or other appropriate arrangements) technical assistance to assist in the initiation or effective operation of programs under this part. He may also make arrangements for the training of instructors and other personnel needed to carry out work and training programs under this part and part D of this title. He shall give special consideration to the problems of rural areas.

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[1] Subsection (f) was added by sec. 503 of the Higher Education Amendments of 1968, Public Law 90-575, October 16, 1968, 82 Stat. 1014, 1062.

ROLE OF THE STATES

SEC. 129. The Director may provide financial assistance to appropriate State agencies to—

(1) provide technical assistance and training, as authorized by section 128, with particular emphasis upon service to rural areas and for this purpose preference shall be given to the State agency which administers programs assisted by section 231;

(2) assist in coordinating State activities related to this part;

(3) operate work and training programs in communities which have not yet established an acceptable prime sponsor; and

(4) provide work and training opportunities on State projects and in State agencies: *Provided*, That these opportunities shall be made available to participants in community work and training programs.

EQUITABLE DISTRIBUTION OF ASSISTANCE

SEC. 130. Of the sums appropriated or allocated for any fiscal year for programs authorized under this title, the Director shall reserve not to exceed 20 per centum for the purpose of carrying out section 123(a)(5); but not more than 12½ per centum of the funds so reserved for any fiscal year shall be used within any one State. With respect to the remaining funds appropriated or allocated to carry out the provisions of section 123, the Director shall establish criteria designed to achieve an equitable distribution of assistance among the States. In developing those criteria, he shall consider, among other relevant factors, the ratios of population, unemployment, and family income levels.

LIMITATIONS ON FEDERAL ASSISTANCE

SEC. 131. Federal financial assistance to any program or activity carried out pursuant to section 123 of this part shall not exceed 90 per centum of the cost of such program or activity, including costs of administration. The Director may, however, approve assistance in excess of that percentage if he determines, pursuant to regulations establishing objective criteria for such determinations, that this is necessary in furtherance of the purposes of this part. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services. If in any fiscal year, a community provides non-Federal contributions under this part exceeding its requirements under this section, such excess may be used to meet its requirements for such contributions under section 225(c).

PROGRAM DATA AND EVALUATION

SEC. 132. (a) The Director shall provide for the development and implementation of a program data system consistent with similar data systems for other relevant Federal programs. Such data shall be published periodically.

(b) The Director shall provide for the continuing evaluation of the programs under this part, including their effectiveness in achieving stated goals, their impact on related programs, and their structure and mechanisms for the delivery of services, and he shall arrange for obtaining the opinions of participants about the strengths and weaknesses of the programs. This evaluation shall include comparisons with proper control groups composed of persons who have not participated in such programs, and shall seek to develop comparative data on the costs and benefits of work and training programs authorized by this Act and by other Acts, including the Manpower Development and Training Act of 1962. He may, for this purpose, contract for independent evaluations of such programs or individual projects. The results of such evaluations shall be included in the report required by section 608.

(c) The Director shall develop and publish standards for evaluation of program effectiveness in achieving the objectives of this part. Such standards shall be considered in deciding whether to renew or supplement financial assistance provided by sections 123, 128, and 129.

PART D—SPECIAL IMPACT PROGRAMS [1]

STATEMENT OF PURPOSE

SEC. 150. The purpose of this part is to establish special programs which (1) are directed to the solution of the critical problems existing in particular communities or neighborhods (defined without regard to political or other subdivisions or boundaries) within those urban areas having especially large concentrations of low-income persons, and within those rural areas having substantial out-migration to eligible urban areas, and (2) are of sufficient size and scope to have an appreciable impact in such communities and neighborhoods in arresting tendencies toward dependency, chronic unemployment, and rising community tensions.

ESTABLISHMENT OF PROGRAMS

SEC. 151. The Director is authorized to provide financial assistance to public agencies or private organizations for the payment of all or part of the costs of programs which are designed to carry out the purposes of this part. Such programs shall be restricted in number so that each is of sufficient size and scope to have an appreciable impact on the area served. Such programs may include—

(1) economic and business development programs, including programs which provide financial and other incentives to business to locate in or near the areas served so as to provide employment opportunities for residents of those areas, and programs such as those described in title IV of this Act for small businesses in or owned by residents of such areas;

(2) community development activities which create new training and employment opportunities and which contribute to an improved living environment; and

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[1] Former part C of title I was transferred to the Higher Education Act of 1965 and inserted as part C of title IV of such Act by sec. 131(a) of the Higher Education Amendments of 1968, Public Law 90–575, October 16, 1968, 82 Stat. 1014, 1028.

(3) manpower training programs for unemployed or low-income persons which support and complement economic, business, and community development programs, including without limitation activities such as those described in part B of this title.

REQUIREMENTS FOR FINANCIAL ASSISTANCE

SEC. 152. (a) The Director shall not provide financial assistance for any program or component project under this part unless he determines that—

(1) all projects and related facilities will, to the maximum feasible extent, be located in the area served;

(2) projects will, where feasible, promote the development of entrepreneurial and management skills and the ownership or participation in ownership of assisted businesses by residents of the area served;

(3) projects will be planned and carried out with the maximum participation of local businessmen by their inclusion on program boards of directors, advisory councils, or through other appropriate means;

(4) the program will be appropriately coordinated with local planning under this Act, the Demonstration Cities and Metropolitan Development Act of 1966, and with other relevant plans for physical and human resources of the areas served;

(5) the requirements of subsections 122(e) and 124(a) of this Act have been met;

(6) preference will be given to the residents of the areas served in filling jobs and training opportunities; and

(7) training programs financed under this part shall be designed wherever feasible to provide those persons who successfully complete such training with skills which are also in demand in communities or neighborhoods other than those for which programs are established under this part.

(b) Financial assistance under this section shall not be extended to assist in the relocation of establishments from one location to another if such relocation would result in an increase in unemployment in the area of original location.

(c) The level of financial assistance for related purposes under this Act to the area served by a special impact program shall not be diminished in order to substitute funds authorized by this part.

(d) Of the sums appropriated or allocated for any fiscal year for programs authorized under this title, the Director shall reserve not less than 7 per centum for the purpose of carrying out this part.

APPLICATION OF OTHER FEDERAL RESOURCES

SEC. 153. (a) The Secretary of Housing and Urban Development shall, in consultation with the Director, take all necessary steps under the authority granted to him under title I of the Housing Act of 1949 to assure that land for business location and expansion purposes is made available as may be necessary to carry out the purpose of this part.

(b) Areas selected for assistance under this part shall be deemed "redevelopment areas" within the meaning of section 401 of the Public Works and Economic Development Act of 1965 and shall qualify for assistance under the provisions of title II of that Act.

(c) The Director shall take such steps as may be necessary and appropriate, in coordination and cooperation with the heads of other Federal departments and agencies, so that contracts, subcontracts, and deposits made by the Federal Government or in connection with programs aided with Federal funds are placed in such a way as to further the purposes of this part.

EVALUATION

SEC. 154. Each program for which payments are made under section 151 shall provide for a thorough evaluation of the effectiveness of the program in achieving the goals of this part. This evaluation shall be conducted by such public or private organizations as the Director may designate, and up to 100 per centum of the costs of evaluation may be paid from funds appropriated to carry out this part. The results of such evaluations or a summary of them, together with the Director's findings and recommendations concerning the program, shall be included in the report required by section 608.

FEDERAL SHARE OF PROGRAMS COSTS

SEC. 155. Federal grants to any program carried out pursuant to this part shall not exceed 90 per centum of the cost of such programs, including costs of administration, unless the Director determines, pursuant to regulations adopted and promulgated by him establishing objective criteria for such determinations, that assistance in excess of such percentage is required in furtherance of the purposes of this part. Non-Federal contributions may be in cash or in kind, fairly, evaluated, including but not limited to plant, equipment, and services: *Provided*, That where capital investment is required under a contract with a private organization (other than a nonprofit organization), the Federal share thereof shall not exceed 90 per centum of such capital investment and the non-Federal share shall be as defined above.

PART E [1]—SPECIAL WORK AND CAREER DEVELOPMENT PROGRAMS

STATEMENT OF PURPOSE

SEC. 161. The Congress finds that the "Mainstream" program aimed primarily at the chronically unemployed and the "New Careers" program providing jobs for the unemployed and low-income persons leading to broader career opportunities are uniquely effective; that, in addition to providing persons assisted with jobs, the key to their economic independence, these programs are of advantage to the community at large in that they are directed at community beautification and betterment and the improvement of health, education, welfare, public safety, and other public services; and that, while these programs are important and necessary components of comprehensive work and training programs, there is a need to encourage imaginative and innovative use of these programs, to enlarge the authority to operate them, and to increase the resources available for them.

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[1] New part E was added by sec. 201 of the Economic Opportunity Amendments of 1969, Public Law 91–177, December 30, 1969, 83 Stat. 827, 833.

SPECIAL PROGRAMS

Sec. 162. (a) The Director is authorized to provide financial assistance to public or private nonprofit nonprofit agencies to stimulate and support efforts to provide the unemployed with jobs and the low-income worker with greater career opportunity. Programs authorized under this section include the following:

(1) A special program to be known as "Mainstream" which involves work activities directed to the needs of those chronically unemployed poor who have poor employment prospects and are unable, because of age, physical condition, obsolete or inadequate skills, declining economic conditions, other causes of a lack of employment opportunity, or otherwise, to secure appropriate employment or training assistance under other programs, and which, in addition to other services provided, will enable such persons to participate in projects for the betterment or beautification of the community or area served by the program, including without limitation activities which will contribute to the management conservation, or development of natural resources, recreational areas, Federal, State, and local government parks, highways, and other lands, the rehabilitation of housing, the improvement of public facilities, and the improvement and expansion of health, education, day care, and recreation services;

(2) A special program to be known as "New Careers" which will provide unemployed or low-income persons with jobs leading to career opportunities, including new types of careers, in programs designed to improve the physical, social, economic, or cultural condition of the community or area served in fields of public service, including without limitation health, education, welfare, recreation, day care, neighborhood redevelopment, and public safety, which provide maximum prospects for on-the-job training, promotion, and advancement and continued employment without Federal assistance, which give promise of contributing to the broader adoption of new methods of structuring jobs and new methods of providing job ladder opportunities, and which provide opportunities for further occupational training to facilitate career advancement.

(b) The Director is authorized to provide financial and other assistance to insure the provision of supportive and follow-up services to supplement programs under this part including health services, counseling, day care for children, transportation assistance, and other special services necessary to assist individuals to achieve success in these programs and in employment.

ADMINISTRATIVE REGULATIONS

Sec. 163. The Director shall prescribe regulations to assure that programs under this part have adequate internal administrative controls, accounting requirements, personnel standards, evaluation procedures, availability of in-service training and technical assistance programs, and other policies as may be necessary to promote the effective use of funds.

SPECIAL CONDITIONS

SEC. 164. (a) The Director shall not provide financial assistance for any program under this part unless he determines, in accordance with such regulations as he may prescribe, that—

(1) no participant will be employed on projects involving political parties, or the construction, operation, or maintenance of so much of any facility as is used or to be used for sectarian instruction or as a place for religious worship;

(2) the program will not result in the displacement of employed workers or impair existing contracts for services, or result in the substitution of Federal for other funds in connection with work that would otherwise be performed;

(3) the rates of pay for time spent in work-training and education, and other conditions of employment, will be appropriate and reasonable in the light of such factors as the type of work, geographical region, and proficiency of the participant; and

(4) the program will, to the maximum extent feasible, contribute to the occupational development and upward mobility of individual participants.

(b) For programs which provide work and training related to physical improvements, preference shall be given to those improvements which will be substantially used by low-income persons and families or which will contribute substantially to amenities or facilities in urban or rural areas having high concentrations or proportions of low-income persons and families.

(c) Programs approved under this part shall, to the maximum extent feasible, contribute to the elimination of artificial barriers to employment and occupational advancement.

(d) Projects under this part shall provide for maximum feasible use of resources under the other Federal programs for work and training and the resources of the private sector.

PROGRAM PARTICIPANTS

SEC. 165. (a) Participants in programs under this part must be unemployed or low-income persons. The Director, in consultation with the Commissioner of Social Security, shall establish criteria for low income, taking into consideration family size, urban-rural and farm-nonfarm differences, and other relevant factors. Any individual shall be deemed to be from a low-income family if the family receives cash welfare payments.

(b) Participants must be permanent residents of the United States or of the Trust Territory of the Pacific Islands.

(c) Participants shall not be deemed Federal employees and shall not be subject to the provisions of law relating to Federal employment, including those relating to hours of work, rates of compensation, leave, unemployment compensation, and Federal employment benefits.

EQUITABLE DISTRIBUTION OF ASSISTANCE

Sec. 166. The Director shall establish criteria designed to achieve an equitable distribution of assistance along the States. In developing those criteria, he shall consider, among other relevant factors, the ratios of population, unemployment, and family income levels. Of the sums appropriated or allocated for any fiscal year for programs authorized under this part not more than 12½ per centum shall be used within any other one State.

LIMITATIONS ON FEDERAL ASSISTANCE

Sec. 167. Programs assisted under this part shall be subject to the provisions of section 131 of this Act.

Part F[1]—Duration of Program

Sec. 171. The Director shall carry out the programs under this title during the fiscal year ending June 30, 1967, and the five succeeding fiscal years. For each such fiscal year only such sums may be appropriated as the Congress may authorize by law.

TITLE II—URBAN AND RURAL COMMUNITY ACTION PROGRAMS

STATEMENT OF PURPOSE

Sec. 201. (a) This title provides for community action agencies and programs, prescribes the structure and describes the functions of community action agencies and authorizes financial assistance to community action programs and related projects and activities. Its basic purpose is to stimulate a better focusing of all available local, State, private, and Federal resources upon the goal of enabling low-income families, and low-income individuals of all ages, in rural and urban areas, to attain the skills, knowledge, and motivations and secure the opportunities needed for them to become fully self-sufficient. Its specific purposes are to promote, as methods of achieving a better focusing of resources on the goal of individual and family self-opportunities needed for them to become fully self-sufficient. Its specific purposes are to promote, as methods of achieving a better focusing of resources on the goal of individual and family self-sufficiency—

(1) the strengthening of community capabilities for planning and coordinating Federal, State, and other assistance related to the elimination of poverty, so that this assistance, through the efforts of local officials, organizations, and interested and affected citizens, can be made more responsive to local needs and conditions;

(2) the better organization of a range of services related to the needs of the poor, so that these services may be made more effective and efficient in helping families and individuals to overcome particular problems in a way that takes account of, and supports their progress in overcoming, related problems;

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[1] Section 201 of the Economic Opportunity Amendments of 1969, Public Law 91–177, December 30, 1969, 83 Stat. 827, 833, redesignated part E as part F and renumbered section 161 as section 171.

(3) the greater use, subject to adequate evaluation, of new types of services and innovative approaches in attacking causes of poverty, so as to develop increasingly effective methods of employing available resources;

(4) the development and implementation of all programs and projects designed to serve the poor or low-income areas with the maximum feasible participation of residents of the areas and members of the groups served, so as to best stimulate and take full advantage of capabilities for self-advancement and assure that those programs and projects are otherwise meaingful to and widely utilized by their intended beneficiaries; and

(5) the broadening of the resource base of programs directed to the elimination of poverty, so as to secure, in addition to the services and assistance of public officials, private religious, charitable, and neighborhood organizations, and individual citizens, a more active role for business, labor, and professional groups able to provide employment opportunities or otherwise influence the quantity and quality of services of concern to the poor.

(b) It is further declared to be the purpose of this title and the policy of the Office of Economic Opportunity to provide for basic education, health care, vocational training, and employment opportunities in rural America to enable the poor living in rural areas to remain in such areas and become self-sufficient therein. It shall not be the purpose of this title or the policy of the Office of Economic Opportunity to encourage the rural poor to migrate to urban areas, inasmuch as it is the finding of Congress that continuation of such migration is frequently not in the best interests of the poor and tends to further congest the already over-crowded slums and ghettos of our Nation's cities.

PART A—COMMUNITY ACTION AGENCIES AND PROGRAMS

DESIGNATION OF COMMUNITY ACTION AGENCIES: COMMUNITY ACTION PROGRAMS

SEC. 210. (a) A community action agency shall be a State or political subdivision of a State (having elected or duly appointed governing officials), or a combination of such political subdivisions, or a public or private nonprofit agency or organization which has been designated by a State or such a political subdivision or combination of such subdivisions, which—

(1) has the power and authority and will perform the functions set forth in section 212, including the power to enter into contracts with public and private nonprofit agencies and organizations to assist in fulfilling the purposes of this title, and

(2) is determined to be capable of planning, conducting, administering and evaluating a community action program and is currently designated as a community action agency by the Director.

A community action program is a community based and operated program—

(1) which includes or is designed to include a sufficient number of projects or components to provide, in sum, a range of services and activities having a measurable and potentially major

impact on causes of poverty in the community or those areas of the community where poverty is a particularly acute problem;

(2) which has been developed, and which organizes and combines its component projects and activities, in a manner appropriate to carry out all the purposes of this title; and

(3) which conforms to such other supplementary criteria as the Director may prescribe consistent with the purposes and provisions of this title.

(b) Components of a community action program may be administered by the community action agency, where consistent with sound and efficient management and applicable law, or by other agencies. They may be projects eligible for assistance under this title, or projects assisted from other public or private sources; and they may be either specially designed to meet local needs, or designed pursuant to the eligibility standards of a State or Federal program providing assistance to a particular kind of activity which will help in meeting those needs.

(c) For the purpose of this title, a community may be a city, county, multicity, or multicounty unit, an Indian reservation, or a neighborhood or other area (irrespective of boundaries or political subdivisions) which provides a suitable organizational base and possesses the commonality of interest needed for a community action program. The Director shall consult with the heads of other Federal agencies responsible for programs relating to work and training programs, physical and economic development, housing, education, health, and other community services to encourage the establishment of coterminous or complementary boundaries for planning purposes among those programs and community action programs assisted under this title.

(d) The Director may designate and provide financial assistance to a public or private nonprofit agency as a community action agency in lieu of a community action agency designated under subsection (a) for activities of the kind described in this title where he determines (1) that the community action agency serving the community has failed, after having a reasonable opportunity to do so, to submit a satisfactory plan for a community action program which meets the criteria for approval set forth in this title, or to carry out such plan in a satisfactory manner, or (2) that neither the State nor any qualified political subdivision or combination of such subdivisions is willing to be designated as the community action agency for such community or to designate a public or private nonprofit agency or organization to be so designated by the Director.

(e) No political subdivision of a State shall be included in the community action program of a community action agency designated under section 210(a) if the elected or duly appointed governing officials of such political subdivision do not wish to be so included. Such political subdivision, and any public or private nonprofit organization or agency designated by it, shall be eligible for designation as a community action agency on the same basis as other political subdivisions and their designees.

(f) For the purpose of this title, a tribal government of an Indian reservation shall be deemed to be a political subdivision of a State.

COMMUNITY ACTION AGENCIES AND BOARDS

SEC. 211. (a) Each community action agency which is a State or a political subdivision of a State, or a combination of political subdivisions, shall administer its program through a community action board which shall meet the requirements of subsection (b). Each community action agency which is a public or private nonprofit agency or organization designated by a State or political subdivision of a State, or combination of political subdivisions, or is an agency designated by the Director under section 210(d), shall have a governing board which shall meet the requirements of subsection (b).

(b) Each board to which this subsection applies shall consist of not more than fifty-one members and shall be so constituted that (1) one-third of the members of the board are public officials, including the chief elected official or officials, or their representatives, unless the number of such officials reasonably available or willing to serve is less than one-third of the membership of the board, (2) at least one-third of the members are persons chosen in accordance with democratic selection procedures adequate to assure that they are representative of the poor in the area served, and (3) the remainder of the members are officials or members of business, industry, labor, religious, welfare, education, or other major groups and interests in the community. Each member of the board selected to represent a specific geographic area within a community must reside in the area he represents. No person selected under clause (2) or (3) of this subsection as a member of a board shall serve on such board for more than three consecutive years, or more than a total of six years.

(c) Where a community action agency places responsibility for major policy determinations with respect to the character, funding, extent, and administration of and budgeting for programs to be carried on in a particular geographic area within the community in a subsidiary board, council, or similar agency, such board, council, or agency shall be broadly representative of such area, subject to regulations of the director which assure adequate opportunity for membership of elected public officials of such board, council, or agency. Each community action agency shall be encouraged to make use of neighborhood-based organizations composed of residents of the area or members of the groups served to assist such agency in the planning, conduct, and evaluation of components of the community action program.

(d)(1) The Director shall promulgate such standards or rules relating to the scheduling and notice of meetings, quorums (which shall be not less than 50 per centum of the total membership), procedures, establishment of committees, and similar matters as he may deem necessary to assure that boards which are subject to subsection (b) provide a continuing and effective mechanism for securing broad, community involvement in programs assisted under this title and that all groups or elements represented on those boards have a full and fair opportunity to participate in decisions affecting those programs. Such standards or rules shall not preclude any such board from appointing an executive committee or similar group, which fairly reflects the composition of the board, to transact the board's business between its meetings. The quorum requirements for any such committee or group, which shall not be less than 50 percent of the membership, shall be established by the board.

(2) The Director shall require community action agencies to establish procedures under which community agencies and representative groups of the poor which feel themselves inadequately represented on the community action board of governing board may petition for adequate representation.

(e) The powers of every community action agency governing board shall include the power to appoint persons to senior staff positions, to determine major personnel, fiscal, and program policies, to approve overall program plans and priorities, and to assure compliance with conditions of and approve proposals for financial assistance under this title.

(f) Each community action board referred to in the first sentence of subsection (a) shall—

(1) have a full opportunity to participate in the development and implementation of all programs and projects designed to serve the poor or low-income areas with maximum feasible participation of residents of the areas and members of the groups served, so as to best stimulate and take full advantage of capabilities for self-advancement and assure that those programs and projects are otherwise meaningful to and widely utilized by their intended beneficiaries;

(2) have at least one-third of its members chosen in accordance with democratic selection procedures adequate to assure that they are representative of the poor in the area served;

(3) be so established and organized that the poor and residents of the area concerned will be enabled to influence the character of programs affecting their interests and regularly participate in the planning and implementation of those programs; and

(4) be a continuing and effective mechanism for securing broad community involvement in the programs assisted under this title.

SPECIFIC POWERS AND FUNCTIONS OF COMMUNITY ACTION AGENCIES

SEC. 212. (a) In order to carry out its overall responsibility for planning, coordinating, evaluating, and administering a community action program, a community action agency must have authority under its charter or applicable law to receive and administer funds under this title, funds and contributions from private or local public sources which may be used in support of a community action program, and funds under any Federal or State assistance program pursuant to which a public or private nonprofit agency (as the case may be) organized in accordance with this part could act as grantee, contractor, or sponsor of projects appropriate for inclusion in a community action program. A community action agency must also be empowered to transfer funds so received, and to delegate powers to other agencies, subject to the powers of its governing board and its overall program responsibilities. This power to transfer funds and delegate powers must include the power to make transfers and delegations covering component projects in all cases where this will contribute to efficiency and effectiveness or otherwise further program objectives.

(b) In exercising its powers and carrying out its overall responsibility for a community action program, a community action agency shall have, subject to the purposes of this title, at least the following functions:

(1) Planning systematically for and evaluating the program, including actions to develop information as to the problems and causes of poverty in the community, determine how much and how effectively assistance is being provided to deal with those problems and causes, and establish priorities among projects, activities and areas as needed for the best and most efficient use of resources.

(2) Encouraging agencies engaged in activities related to the community action program to plan for, secure and administer assistance available under this title or from other sources on a common or cooperative basis; providing planning or technical assistance to those agencies; and generally, in cooperation with community agencies and officials, undertaking actions to improve existing efforts to attack poverty, such as improving day-to-day communication, closing service gaps, focusing resources on the most needy, and providing additional opportunities to low-income individuals for regular employment or participation in the programs or activities for which those community agencies and officials are responsible.

(3) Initiating and sponsoring projects responsive to needs of the poor which are not otherwise being met, with particular emphasis on providing central or common services that can be drawn upon by a variety of related programs, developing new approaches or new types of services that can be incorporated into other programs, and filling gaps pending the expansion or modification of those programs.

(4) Establishing effective procedures by which the poor and area residents concerned will be enabled to influence the character of programs affecting their interests, providing for their regular participation in the implementation of those programs, and providing technical and other support needed to enable the poor and neighborhood groups to secure on their own behalf available assistance from public and private sources.

(5) Joining with and encouraging business, labor, and other private groups and organizations to undertake, together with public officials and agencies, activities in support of the community action program which will result in the additional use of private resources and capabilities, with a view to such things as developing new employment opportunities, stimulating investment that will have a measurable impact in reducing poverty among residents of areas of concentrated poverty, and providing methods by which residents of those areas can work with private groups, firms, and institutions in seeking solutions to problems of common concern.

ADMINISTRATIVE STANDARDS

SEC. 213. (a) Each community action agency shall observe, and shall (as appropriate) require or encourage other agencies participating in a community action program to observe, standards of organization, management and administration which will assure, so far as reasonably possible, that all program activities are conducted in a manner consistent with the purposes of this title and the objective of providing assistance effectively, efficiently, and free of any taint of partisan political bias or personal or family favoritism. Each community action agency shall establish or adopt rules to carry out this section, which shall include rules to assure full staff accountability in matters governed by law, regulations, or agency policy. Each community action agency shall also provide for reasonable public access to information, including but not limited to public hearings at the request of appropriate community groups and reasonable public access to books and records of the agency or other agencies engaged in program activities or operations involving the use of authority or funds for which it is responsible. And each community action agency shall adopt for itself and other agencies using funds or exercising authority for which it is responsible, rules designed to establish specific standards governing salaries, salary increases, travel and per diem allowances, and other employees benefits; to assure that only persons capable of discharging their duties with competence and integrity are employed and that employees are promoted or advenced under impartial procedures calculated to improve agency performance and effectiveness; to guard against personal or financial conflicts of interests; and to define employee duties of advocacy on behalf of the poor in an appropriate manner which will in any case preclude employees from participating, in connection with the performance of their duties, in any form of picketing, protest, or other direct action which is in violation of law.

(b) The Director shall prescribe rules or regulations to supplement subsection (a), which shall be binding on all agencies carrying on community action program activities with financial assistance under this title. He may, where appropriate, establish special or simplified requirements for smaller agencies or agencies operating in rural areas. These special requirements shall not, however, affect the applicability of rules governing conflicts of interest, use of position or authority for partisan or nonpartisan political purposes or participation in direct action, regardless of customary practices or rules among agencies in the community. The Director shall consult with the heads of other Federal agencies responsible for programs providing assistance to activities which may be included in community action programs for the purpose of securing maximum consistency between rules or regulations prescribed or followed by those agencies and those prescribed under this section.

HOUSING DEVELOPMENT AND SERVICES ORGANIZATIONS

SEC. 214. Each community action agency shall encourage the establishment of housing development and services organizations designed to focus on the housing needs of low-income families and individuals. Such organizations shall provide the technical, administrative, and financial assistance which is required to help low-income families and individuals more effectively to utilize existing programs, and which is required to enable nonprofit, cooperative, and public sponsors more effectively to take advantage of existing Federal, State, and local mortgage insurance and housing assistance programs. Where appropriate, such organizations may be nonprofit housing development corporations. Such corporations may themselves become sponsors of housing under existing programs of specialized housing agencies, but under no circumstances shall such corporations insure mortgages or duplicate the long-term capital financing functions of programs now administered by the specialized housing agencies. Housing development and service organizations shall coordinate their efforts with other community action agency efforts so that any programs undertaken under authority of this section shall be closely related to other community action programs.

Part B—Financial Assistance to Community Action Programs and Related Activities

GENERAL PROVISIONS FOR FINANCIAL ASSISTANCE

Sec. 221. (a) The Director may provide financial assistance to community action agencies for the planning, conduct, administration and evaluation of community action programs and components. Those components may involve, without limitation, other activities and supporting facilities designed to assist participants including the elderly poor—

(1) to secure and retain meaningful employment;

(2) to attain an adequate education;

(3) to make better use of available income;

(4) to provide and maintain adequate housing and a suitable living environment;

(5) to undertake family planning, consistent with personal and family goals, religious and moral convictions;

(6) to obtain services for the prevention of narcotics addiction, alcoholism, and the rehabilitation of narcotic addicts and alcoholics;

(7) to obtain emergency assistance through loans or grants to meet immediate and urgent individual and family needs, including the need for health services, nutritious food, housing, and employment-related assistance;

(8) to remove obstacles and solve personal and family problems which block the achievement of self-sufficiency;

(9) to achieve greater participation in the affairs of the community; and

(10) to make more frequent and effective use of other programs related to the purposes of this title.

He may also provide financial assistance to other public or private nonprofit agencies to aid them in planning for the establishment of a community action agency.

(b) If the Director determines that a limited purpose project or program involving activities otherwise eligible under this section is needed to serve needs of low-income families and individuals in a community and no community action agency has been designated for that community pursuant to section 210, or where a community action agency gives its approval for such a program to be funded directly through a public or private nonprofit agency or organization, he may extend financial assistance for that project or program to a public or private nonprofit agency which he finds is capable of carrying out the project in an efficient and effective manner consistent with the purpose of this title.

(c) The Director shall prescribe necessary rules and regulations governing applications for assistance under this section to assure that every reasonable effort is made by each applicant to secure the views of local public officials and agencies in the community having a direct or substantial interest in the application and to resolve all issues of cooperation and possible duplication prior to its submission.

(d) After July 1, 1968, the Director shall require, as a condition of assistance, that each community action agency has adopted a systematic approach to the achievement of the purposes of this title and to the utilization of funds provided under this part. Such systematic approach shall encompass a planning and implementation process which seeks to identify the problems and causes of poverty in the community, seeks to mobilize and coordinate relevant public and private resources, establishes program priorities, links program components with one another and with other relevant programs, and provides for evaluation. The Director may, however, extend the time for such requirement to take into account the length of time a program has been in operation. He shall also take necessary steps to assure the participation of other Federal agencies in support of the development and implementation of plans under this subsection.

(e) In order to promote local responsibility and initiative, the Director shall not establish binding national priorities on funds authorized by this section, but he shall review each application for financial assistance on its merits. Before extending financial assistance to a new community action agency under this section, and in determining the amount of and conditions on which such assistance shall be extended, the Director shall consider the extent and nature of poverty in the community and the probable capacity of the agency to carry out an effective program. In reviewing or supplementing financial assistance to a previously existing community action agency, he shall consider the progress made in carrying on programs by such agency.

SPECIAL PROGRAMS AND ASSISTANCE

SEC. 222. (a) In order to stimulate actions to meet or deal with particularly critical needs or problems of the poor which are common to a number of communities, the Director may develop and carry on special programs under this section. This authority shall be used only where the Director determines that the objectives sought could not be effectively achieved through the use of authorities under section 221, including assistance to components or projects based on models developed and promulgated by him. It shall also be used only with respect to programs which (A) involve activities which can be incorporated into or be closely coordinated with community action programs, (B) involve significant new combinations of resources or new and innovative approaches, or (C) are structured in a way that will, within the limits of the type of assistance or activities contemplated, most fully and effectively promote the purposes of this title.

Subject to such conditions as may be appropriate to assure effective and efficient administration, the Director may provide financial assistance to public or private nonprofit agencies to carry on local projects initiated under such special programs; but he shall do so in a manner that will encourage, wherever feasible, the inclusion of the assisted projects in community action programs, with a view to minimizing possible duplication and promoting efficiencies in the use of common facilities and services, better assisting persons or families having a variety of needs, and otherwise securing from the funds committed the greatest possible impact in promoting family and individual self-sufficiency. Programs under this section shall include those described in the following paragraphs:

(1) A program to be known as "Project Headstart" focused upon children who have not reached the age of compulsory school attendance which (A) will provide such comprehensive health, nutritional, education, social, and other services as the Director finds will aid the children to attain their full potential, and (B) will provide for direct participation of the parents of such children in the development, conduct, and overall program direction at the local level. Pursuant to such regulations as the Director may prescribe, persons who are not members of low-income families may be permitted to receive services in projects assisted under this paragraph. A family which is not low income shall be required to make payment, or have payment made in its behalf, in whole or in part for such services where the family's income is, or becomes through employment or otherwise, such as to make such payment appropriate.

(2) A program to be known as "Follow Through" focused primarily upon children in kindergarten or elementary school who were previously enrolled in Headstart or similar programs and designed to provide comprehensive services and parent participation activities as described in paragraph (1), which the Director finds will aid in the continued development of children to their full potential. Funds for such program shall be transferred directly from the Director to the Secretary of Health, Education, and Welfare. Financial assistance for such projects shall be provided by the Secretary on the basis of agreements reached with the Director directly to local educational agencies except as otherwise provided by such agreements.

(3) A "Legal Services" program to further the cause of justice among persons living in poverty by mobilizing the assistance of lawyers and legal institutions and by providing legal advice, legal representation, legal counseling, education in legal matters, and other appropriate legal services. Projects involving legal advice and representation shall be carried on in a way that assures maintenance of a lawyer-client relationship consistent with the best standards of the legal profession. The Director shall make arrangements under which the State bar association and the principal local bar associations in the community to be served by any proposed project authorized by this paragraph shall be consulted and afforded an adequate opportunity to submit, to the Director, comments and recommendations on the proposed project

before such project is approved or funded, and to submit, to the Director comments and recommendations on the operations of such project, if approved and funded. No funds or personnel made available for such program (whether conducted pursuant to this section or any other section in this part) shall be utilized for the defense of any person indicted (or proceeded against by information) for the commission of a crime, except in extraordinary circumstances where, after consultation with the court having jurisdiction, the Director has determined that adequate legal assistance will not be available for an indigent defendant unless such services are made available. Members of the Armed Forces, and members of their immediate families, shall be eligible to obtain legal services under such programs in cases of extreme hardship (determined in accordance with regulations of the Director issued after consultation with the Secretary of Defense): *Provided*, That nothing in this sentence shall be so construed as to require the Director to expand or enlarge existing programs or to initiate new programs in order to carry out the provisions of this sentence unless and until the Secretary of Defense assumes the cost of such services and has reached agreement with the Director on reimbursement for all such additional costs as may be incurred in carrying out the provisions of this sentence.

(4) A "Comprehensive Health Services" program which shall include—

(A) programs to aid in developing and carrying out needs of urban and rural areas having high concentrations or proportions of poverty and marked inadequacy of health services for the poor. These projects shall be designed—

(i) to make possible, with maximum feasible use of existing agencies and resources, the provision of comprehensive health services, such as preventive medical, diagnostic, treatment, rehabilitation, family planning narcotic addiction and alcoholism prevention and rehabilitation, mental health, dental, and followup services, except in rural areas where the lack of even elemental health services and personnel may require simpler, less comprehensive services to be established first; and

(ii) to assure that these services are made readily accessible to low-income residents of such areas, are furnished in a manner most responsive to their needs and with their participation and wherever possible are combined with, or included within, arrangements for providing employment, education, social, or other assistance needed by the families and individuals served: *Provided, however*, That such services may be made available on an emergency basis or pending a determination of eligibility to all residents of such areas.

Funds for financial assistance under this paragraph shall be allotted according to need, and capacity of applicants to make rapid and effective use of that assistance, and may be used, as necessary, to pay the full costs of projects. Before approving any project, the Director shall solicit and consider the comments and recommendations of the local medical associations in the area and shall consult with appropriate Federal, State, and local health agencies and take such steps as may be required to assure that the program will be carried on under competent professional supervision and that existing agencies providing related services are furnished all assistance needed to permit them to plan for participation in the program and for the necessary continuation of those related services; and

(B) Programs to provide financial assistance to public or private agencies for projects designed to develop knowledge or enhance skills in the field of health services for the poor. Such projects shall encourage both prospective and practicing health professionals to direct their talents and energies toward providing health services for the poor. In carrying out the provisions of this paragraph, the Director is authorized to provide or arrange for training and study in the field of health services for the poor. Pursuant to regulations prescribed by him, the Director may arrange for the payment of stipends and allowances (including travel and subsistence expenses) for persons undergoing such training and study and for their dependents. The Director and the Secretary of Health, Education, and Welfare shall achieve effective coordination of programs and projects authorized under this section with other related activities.

(5)[1] A program to be known as "Emergency Food and Medical Services" designed to provide on an emergency basis, directly or by delegation of authority pursuant to the provisions of title VI of this Act, financial assistance for the provision of such medical supplies and services, nutritional foodstuffs, and related services, as may be necessary to counteract conditions of starvation or malnutrition among the poor. Such assistance may be provided by way of supplement to such other assistance as may be extended under the provisions of other Federal programs, and may be used to extend and broaden such programs to serve economically disadvantaged individuals and families where such services are not now provided and without regard to the requirements of such laws for local or State administration or financial participation. In extending such assistance, the Director may make grants to community action agencies or local public or private nonprofit organizations or agencies to carry out the purposes of this paragraph. The Director is authorized to carry out the functions under this paragraph through the Secretary of Agriculture and the Secretary of Health, Education, and Welfare in a manner that will insure the availability of such medical supplies and services, nutritional foodstuffs, and related services through a community action agency where feasible, or other agencies or organizations if no such agency exists or is able to administer programs to provide such foodstuffs, medical services, and supplies to needy individuals and families.

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[1] Former paragraph (5) of this subsection authorized the "Upward Bound" program. The program was transferred to the Commissioner of Education as of July 1, 1969 by the Higher Education Amendments of 1968 and provided for in an amended section 408 of the Higher Education Act of 1965. The Amendments repealed former paragraph (5) as of July 1, 1969, and redesignated the succeeding paragraphs of this subsection as paragraphs (5), (6), and (7) respectively. (See section 105 of the Higher Education Amendments of 1968, October 16, 1968, 82 Stat. 1018, 1019.)

Paragraph (5) of this subsection, as redesignated by the Higher Education Amendments of 1968, was subsequently amended by sec. 105 of the Economic Opportunity Amendments of 1969, Public Law 91-177, December 30, 1969, 83 Stat. 827, 829.

(6) A "Family Planning" program to provide assistance and services to low-income persons in the field of voluntary family planning, including the provision of information, medical assistance, and supplies. The Director and the Secretary of Health, Education, and Welfare shall coordinate, and assure a full exchange of information concerning, family planning projects within their respective jurisdictions in order to assure the maximum availability of services and in order best to meet the varying needs of different communities. The Secretary of Health, Education, and Welfare shall make the services of Public Health Service officers available to the Director in carrying out this program.

(7) A program to be known as "Senior Opportunities and Services" designed to identify and meet the needs of older, poor persons above the age of 60 in one or more of the following areas: development and provision of new employment and volunteer services; effective referral to existing health, welfare, employment, housing, legal, consumer, transportation, education, and recreational and other services; stimulation and creation of additional services and programs to remedy gaps and deficiences in presently existing services and programs; modification of existing procedures, eligibility requirements and program structures to facilitate the greater use of, and participation in, public services by the older poor; development of all-season recreation and service centers controlled by older persons themselves, and such other activities and services as the Director may determine are necessary or specially appropriate to meet the needs of the older poor and to assure them greater self-sufficiency. In administering this program the Director shall utilize to the maximum extent feasible the services of the Administration of Aging in accordance with agreements with the Secretary of Health, Education, and Welfare.

(8)[1] An "Alcoholic Counseling and Recovery" program designed to discover and treat the disease of alcoholism. Such program should be community based, serve the objective of the maintenance of the family structure as well as the recovery of the individual alcoholic, encourage the use of neighborhood facilities and the services of recovered alcoholics as counselors, and emphasize the reentry of the alcoholic into society rather than the institutionalization of the alcoholic. Of the sums appropriated or allocated for programs authorized under this title, the Director shall reserve and make available not less than $10,000,000 for the fiscal year ending June 30, 1970, and not less than $15,000,000 for the fiscal year ending June 30, 1971, for the purpose of carrying out this program.

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[1] Sec. 106 of the Economic Opportunity Amendments of 1969, Public Law 91–177, December 30, 1969, 83 Stat. 827, 829, added new paragraphs (8) and (9).

(9) A "Drug Rehabilitation" program designed to discover the causes of drug abuse and addiction, to treat narcotic and drug addiction and the dependence associated with drug abuse, and to rehabilitate the drug abuser and drug addict. Such program should deal with the abuse or addiction resulting from the use of narcotic drugs such as heroin, opium, and cocaine, stimulants such as amphetamines, depressants, marihuana, hallucinogens, and tranquilizers. Such program should be community based, serve the objective of the maintenance of the family structure as well as the recovery of the individual drug abuser or addict, encourage the use of neighborhood facilities and the services of recovered drug abusers and addicts as counselors, and emphasize the reentry of the drug abuser and addict into society rather than his institutionalization. Of the sums appropriated or allocated for programs authorized under this title, the Director shall reserve and make available not less than $5,000,000 for the fiscal year ending June 30, 1970, and not less than $15,000,000 for the fiscal year ending June 30, 1971, for the purpose of carrying out this program.

(b) Consistent with, and subject to, the provisions of sections 230 and 232 (a), (b), and (c), programs under this section may include related training, research, and technical assistance, and funds allocated for this purpose may be allotted and used in the manner otherwise provided under this title with respect to training, research, and technical assistance activities.

RESIDENT EMPLOYMENT

SEC. 223. In the conduct of all component programs under this part, residents of the area and members of the groups served shall be provided maximum employment opportunity, including opportunity for further occupational training and career advancement. The Director shall encourage the employment of persons fifty-five years and older as regular, part-time and short-term staff in component programs.

NEIGHBORHOOD CENTERS

SEC. 224. The Director shall encourage the development of neighborhood centers, designed to promote the effectiveness of needed services in such fields as health, education, manpower, consumer protection, child and economic development, housing, legal, recreation, and social services, and so organized (through a corporate or other appropriate framework) as to promote maximum participation of neighborhood residents in center planning, policymaking, administration, and operation. In addition to providing such services as may not otherwise be conveniently or readily available, such centers shall be responsive to such neighborhood needs, such as counseling, referral, follow-through, and community development activities, as may be necessary or appropriate to best assure a system under which existing programs are extended to the most disadvantaged, are linked to one another, are responsive and relevant to the range of community, family, and individual problems and are fully adapted to neighborhood needs and conditions.

ALLOTMENT OF FUNDS; LIMITATIONS ON ASSISTANCE

SEC. 225. (a) Of the sums which are appropriated or allocated for assistance in the development and implementation of community action programs pursuant to section 221, and for special program projects referred to in section 222(a), and which are not subject to any other provision governing allotment or distribution, the Director shall allot not more than 2 per centum among Puerto Rico, Guam, American Samoa, the Trust Territory of the Pacific Islands, and the Virgin Islands, according to their respective needs. He shall also reserve not more than 20 per centum of those sums for allotment in accordance with such criteria and procedures as he may prescribe. The remainder shall be allotted among the States, in accordance with the latest available data, so that equal proportions are distributed on the basis of (1) the relative number of public assistance recipients in each State as compared to all States, (2) the average number of unemployed persons in each State as compared to all States, and (3) the relative number of related children living with families with income of less than $1,000 in each State as compared to all States. That part of any State's allotment which the Director determines will not be needed may be reallotted, at such dates during the fiscal year as the Director may fix, in proportion to the original allotments, but with appropriate adjustments to assure that any amount so made available to any State in excess of its needs is similarly reallotted among the other States.

(b) The Director may provide for the separate allotment of funds for any special program referred to in section 222(a). This allotment may be made in accordance with the criteria prescribed in subsection (a), or it may be made in accordance with other criteria which he determines will assure an equitable distribution of funds reflecting the relative incidence in each State of the needs or problems at which the program is directed, except that in no event may more than 12½ per centum of the funds for any one program be used in any one State.

(c) Unless otherwise provided in this part, financial assistance extended to a community action agency or other agency pursuant to sections 221 and 222(a), for the period ending June 30, 1967, shall not exceed 90 per centum of the approved cost of the assisted programs or activities, and thereafter shall not exceed 80 per centum of such costs. The Director may, however, approve assistance in excess of such percentages if he determines, in accordance with regulations establishing objective criteria, that such action is required in furtherance of the purposes of this title, Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, or services. If in any fiscal year, a community provides non-Federal contributions under this title exceeding its requirements under this section, such excess may be used to meet its requirements for such contributions under section 131.

(d) No program shall be approved for assistance under sections 221 and 222(a) unless the Director satisfies himself (1) that the services to be provided under such program will be in addition to, and not in substitution for, services previously provided without Federal assistance, and (2) that funds or other resources devoted to programs designed to meet the needs of the poor within the community will not be diminished in order to provide any contributions required under subsection (c). The requirement imposed by the preceding sentence shall be subject to such regulations as the Director may adopt and promulgate establishing objective criteria for determinations covering situations where a strict application of that requirement would result in unnecessary hardship or otherwise be inconsistent with the purposes sought to be achieved.

PART C—SUPPLEMENTAL PROGRAMS AND ACTIVITIES

TECHNICAL ASSISTANCE AND TRAINING

SEC. 230. The Director may provide, directly or through grants or other arrangements, (1) technical assistance to communities in developing, conducting, and administering programs under this title, and (2) training for specialized or other personnel which is needed in connection with those programs or which otherwise pertains to the purpose of this title. Upon request of an agency receiving financial assistance under this title, the Director may make special assignments of personnel to the agency to assist and advise it in the performance of functions related to the assisted activity; but no such special assignment shall be for a period of more than two years in the case of any agency.

STATE AGENCY ASSISTANCE

SEC. 231. (a) The Director may provide financial assistance to State agencies designated in accordance with State law, to enable those agencies—

(1) to provide technical assistance to communities and local agencies in developing and carrying out programs under this title;

(2) to assist in coordinating State activities related to this title;

(3) to advise and assist the Director in developing procedures and programs to promote the participation of States and State agencies in programs under this title; and

(4) to advise and assist the Director, the Economic Opportunity Council established by section 631 of the Act, and the heads of other Federal agencies, in identifying problems posed by Federal statutory or administrative requirements that operate to impede State level coordination of programs related to this title, and in developing methods or recommendations for overcoming those problems.

(b) In any grants or contracts with State agencies, the Director shall give preference to programs or activities which are administered or coordinated by the agencies designated pursuant to subsection (a), or which have been developed and will be carried on with the assistance of those agencies.

(c) In order to promote coordination in the use of funds under this Act and funds provided or granted by State agencies, the Director may enter into agreements with States or State agencies pursuant to which they will act as agents of the United States for purposes of providing financial assistance to community action agencies or other local agencies in connection with specific projects or programs involving the common or joint use of State funds and funds under this title.

RESEARCH AND PILOT PROGRAMS

SEC. 232. (a) The Director may contract or provide financial assistance for pilot or demonstration projects conducted by public or private agencies which are designed to test or assist in the development of new approaches or methods that will aid in overcoming special problems or otherwise in furthering the purposes of this title. He may also contract or provide financial assistance for research pertaining to the purposes of this title.

(b) The Director shall establish an overall plan to govern the approval of pilot or demonstration projects and the use of all research authority under this title. The plan shall set forth specific objectives to be achieved and priorities among such objectives. In formulating the plan, the Director shall consult with other Federal agencies for the purpose of minimizing duplication among similar activities or projects and determining whether the findings resulting from any research or pilot projects may be incorporated into one or more programs for which those agencies are responsible. As part of the annual report required by section 608, or in a separate annual report, the Director shall submit a description for each fiscal year of the current plan required by this section, of activities subject to the plan, and of the findings derived from those activities, together with a statement indicating the time and, to the extent feasible, the manner in which the benefits of those activities and findings are expected to be realized.

(c) Not more than 15 per centum of the sums appropriated or allocated in any fiscal year for this title shall be used for the purposes of this section. One-third of the sums so appropriated or allocated shall be available only for projects authorized under subsection (f) of this section.

(d) No pilot or demonstration project under this section shall be commenced in any city, county, or other major political subdivision, unless a plan setting forth such proposed pilot or demonstration project has been submitted to the appropriate community action agency, or, if there is no such agency, to the local governing officials of the political subdivision, and such plan has not been disapproved by the community action agency or governing body, as the case may be, within thirty days of such submission, or, if so disapproved, has been reconsidered by the Director and found by him to be fully consistent with the provisions and in furtherance of the purposes of this title.

(e) The Director shall develop and carry out pilot projects which (1) aid elderly persons to achieve greater self-sufficiency, (2) focus upon the problems of rural poverty, (3) are designed to develop new techniques and community-based efforts to prevent narcotics addiction or to rehabilitate narcotic addicts, or (4) are designed to encourage the participation of private organizations, other than nonprofit organizations, in programs under this title.

(f) The Director shall conduct, either directly or through grants or other arrangements, research and pilot projects designed to assure a more effective use of human and natural resources of rural America and to slow the migration from rural areas due to lack of economic opportunity, thereby reducing population pressures in urban centers. Such projects may be operated jointly or in cooperation with other federally assisted programs, particularly programs authorized under the Public Works and Economic Development Act of 1965, in the area to be served by the project.

EVALUATION

SEC. 233. (a) The Director shall provide for the continuing evaluation of programs under this title, including their effectiveness in achieving stated goals, their impact on related programs, and their structure and mechanisms for the delivery of services and including, where appropriate, comparisons with proper control groups composed of persons who have not participated in such programs. He may, for this purpose, contract for independent evaluations of those programs or individual projects. He may require community action agencies to provide for independent evaluations, and where appropriate, he may also require a community action agency to establish an independent group or committee to provide evaluation and advisory services on either a short-term or continuing basis. He shall consult with other Federal agencies, or where appropriate with State agencies, in order to provide wherever feasible for jointly sponsored objective evaluation studies on a National or State basis. He shall also arrange for obtaining the opinions of participants about the strengths and weaknesses of the programs. The reports of studies undertaken under this section, together with the comments of the Director and other agencies, if any, shall be public records, and the results shall be summarized in the report required by section 608.

(b) The Director shall develop and publish standards for evaluation of program effectiveness in achieving the objectives of this title. Such standards shall be considered in deciding whether to renew or supplement financial assistance provided by sections 221, 222, 230, and 231.

(c) The Director shall provide by contract for the conduct of an independent study and evaluation of the action taken under sections 210 and 211 of this Act and the effects thereof, with particular reference to (1) the exercise of their authorities under the provisions of title II of this Act by States and political subdivisions, (2) the participation of residents of the areas and members of the groups served, public officials and others and (3) the administrative and program advantages and disadvantages, if any, encountered or foreseen in implementing such sections. He shall transmit such study and evaluation to the Congress before April 1, 1969.

PART D—GENERAL AND TECHNICAL PROVISIONS

ASSISTANT DIRECTORS FOR COMMUNITY ACTION

SEC. 240. The Director shall appoint two assistant directors for the purpose of assisting the Director in the administration of the provisions of this title. One such assistant director, to be known as the Assistant Director for Community Action in Rural Areas, shall be responsible for assuring that funds allotted for assistance to programs or projects designed to assist the rural poor are so expended. The other assistant director to be known as the Assistant Director for Community Action in Urban Areas, shall be responsible for assuring that funds allotted for assistance to programs or projects designed to assist the urban poor are so expended. Each assistant director shall have such additional responsibilities consistent with the foregoing responsibilities as the Director may hereafter assign.

RURAL AREAS

SEC. 241. (a) In exercising authority under this title, the Director shall take necessary steps to further the extension of benefits to residents of rural areas, consistent with the extent and severity of poverty among rural residents, and to encourage high levels of managerial and technical competence in programs undertaken in rural areas. These steps shall include, to the maximum extent practicable, (1) the development under section 222 (a) of programs particularly responsive to special needs of rural areas; (2) the establishment, pursuant to section 232, of a program of research and pilot project activities specifically focused upon the problems of rural poverty; (3) the provision of technical assistance so as to afford a priority to agencies in rural communities and to aid those agencies, through such arrangements as may be appropriate, in securing assistance under Federal programs which are related to this title but which are not generally utilized in rural areas; and (4) the development of special or simplified procedures, forms, guidelines, model components, and model programs for use in rural areas.

(b) The Director shall establish criteria designed to achieve an equitable distribution of assistance under this title within the States between urban and rural areas. In developing such criteria, he shall consider the relative number in the States or areas therein of: (1) low-income families, particularly those with children; (2) unemployed persons; (3) persons receiving cash or other assistance on a needs basis from public agencies or private organizations; (4) school dropouts; (5) adults with less than an eighth-grade education; (6) persons rejected for military service; and (7) poor persons living in urban places compared to the number living in rural places as determined by the latest reports of the Bureau of the Census.

(c) Notwithstanding any other provision of this title, the Director is authorized to provide financial assistance in rural areas to public or private nonprofit agencies for any project for which assistance to community action agencies is authorized, if he determines that it is not feasible to establish a community action agency within a reasonable period of time. The assistance so granted shall be subject to such conditions as the Director deems appropriate to promote adherence to the purposes of this title and the early establishment of a community action agency in the area.

(d) The Director shall encourage the development of programs for the interchange of personnel, for the undertaking of common or related projects, and other methods of cooperation between urban and rural communities, with particular emphasis on fostering cooperation in situations where it may contribute to new employment opportunities, and between larger urban communities with concentrations of low-income persons and families and rural areas in which substantial numbers of those persons and families have recently resided.

SUBMISSION OF PLANS TO GOVERNORS

SEC. 242. In carrying out the provisions of this title, no contract, agreement, grant, loan, or other assistance shall be made with, or provided to, any State or local public agency or any private institution or organization for the purpose of carrying out any program, project, or other activity within a State unless a plan setting forth such proposed contract, agreement, grant, loan, or other assistance has been submitted to the Governor of the State, and such plan has not been disapproved by the Governor within thirty days of such submission, or, if so disapproved, has been reconsidered by the Director and found by him to be fully consistent with the provisions and in furtherance of the purposes of this title. Funds to cover the costs of the proposed contract, agreement, grant, loan, or other assistance shall be obligated from the appropriation which is current at the time the plan is submitted to the Governor.[1] This section shall not, however, apply to contracts, agreements, grants, loans or other assistance to any institution of higher education in existence on the date of the approval of this Act.

FISCAL RESPONSIBILITY AND AUDIT

SEC. 243. (a) No funds shall be released to any agency receiving financial assistance under this title until it has submitted to the Director a statement certifying that the assisted agency and its delegate agencies (or subcontractors for performance of any major portion of the assisted program) have established an accounting system with internal controls adequate to safeguard their assets, check the accuracy and reliability of the accounting data, promote operating efficiency and encourage compliance with prescribed management policies and such additional fiscal responsibility and accounting requirements as the Director may establish. The statement may be furnished by a certified public accountant, a duly licensed public accountant or, in the case of a public agency, the appropriate public financial officer who accepts responsibility for providing required financial services to that agency.

(b) Within three months after the effective date of a grant to or contract of assistance with an organization or agency, the Director shall make or cause to be made a preliminary audit survey to review and evaluate the adequacy of the accounting system and internal controls established thereunder to meet the standards set forth in the statement referred to in subsection (a). Promptly after the completion of the survey, the Director shall determine on the basis of findings and conclusions resulting from the survey whether the accounting systems and internal controls meet those standards and, if not, whether to suspend the grant or contract. In the event of suspension, the assisted agency shall be given not more than six months within which to establish the necessary systems and controls, and, in the event of failure to do so within such time period, the assistance shall be terminated by the Director.

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[1] This sentence was added by section 107(a) of the Economic Opportunity Amendments of 1969, Public Law 91–177, December 30, 1969, 83 Stat. 827, 830, and section 107(b) of these Amendments states that "all obligations under the Economic Opportunity Act of 1964 which have been heretofore recorded substantially as provided in the amendment made by section 107(a) are hereby confirmed and ratified."

(c) At least once annually the Director shall make or cause to be made an audit of each grant or contract of assistance under this title. Promptly after the completion of such audit, he shall determine on the basis of resulting findings and conclusions whether any of the costs of expenditures incurred shall be disallowed. In the event of disallowance, the Director may seek recovery of the sums involved by appropriate means, including court action or a commensurate increase in the required non-Federal share of the costs of any grant or contract with the same agency or organization which is then in effect or which is entered into within twelve months after the date of disallowance.

(d) The Director shall establish such other requirements and take such actions as he may deem necessary and appropriate to carry out the provisions of this section and to insure fiscal responsibility and accountability, and the effective and efficient handling of funds in connection with programs assisted under this title. These requirements and actions shall include (1) necessary action to assure that the rate of expenditure of any agency receiving financial assistance does not exceed the rate contemplated under its approved program; and (2) appropriate requirements to promote the continuity and coordination of all projects or components of programs receiving financial assistance under this title, including provision for the periodic reprogramming and supplementation of assistance previously provided.

SPECIAL LIMITATIONS

SEC. 244. The following special limitations shall apply, as indicated, to programs under this title.

(1) Financial assistance under this title may include funds to provide a reasonable allowance for attendance at meetings of any community action agency governing board, neighborhood council or committee, as appropriate to assure and encourage the maximum feasible participation of members of groups and residents of areas served in accordance with the purposes of this title, and to provide reimbursement of actual expenses connected with those meetings; but those funds (or matching non-Federal funds) may not be used to pay allowances in the case of any individual who is a Federal, State, or local government employee, or an employee of a community action agency, or for payment of an allowance to any individual for attendance at more than two meetings a month.

(2) The Director shall issue necessary rules or regulations to assure that no employee engaged in carrying out community action program activities receiving financial assistance under this title is compensated from funds so provided at at rate in excess of $15,000, per annum, and that any amount paid to such an employee at a rate in excess of $15,000 per annum shall not be considered

in determining whether the non-Federal contributions requirements of section 225(c) have been complied with; the Director may, however, provide in those rules or regulations for exceptions covering cases (particularly in large metropolitan areas) where, because of the need for specialized or professional skills or prevailing local salary levels, application of the foregoing restriction would greatly impair program effectiveness or otherwise be inconsistent with the purposes sought to be achieved.

(3) No officer or employee of the Office of Economic Opportunity shall serve as member of a board, council, or committee of any agency serving as grantee, contractor, or delegate agency in connection with a program receiving financial assistance under this title; but this shall not prohibit an officer or employee from serving on a board, council, or committee which does not have any authority or powers in connection with a program assisted under this title.

(4) In granting financial assistance for projects or activities in the field of family planning, the Director shall assure that family planning services, including the dissemination of family planning information and medical assistance and supplies, are made available to all low-income individuals who meet the criteria for eligibility for assistance under this title which have been established by the assisted agency and who desire such information, assistance, or supplies. The Director shall require, in connection with any such financial assistance, that—

(A) no individual will be provided with any information, medical supervision, or supplies which that individual indicates are inconsistent with his or her moral, philosophical, or religious beliefs; and

(B) no individual will be provided with any medical supervision or supplies unless he or she has voluntarily requested such medical supervision or supplies.

The use of family planning services assisted under this title shall not be a prerequisite to the receipt of services from or participation in any other programs under this Act.

(5) No financial assistance shall be extended under this title to provide general aid to elementary or secondary education in any school or school system; but this shall not prohibit the provision of special, remedial, and other noncurricular educational assistance.

(6) In extending assistance under this title the Director shall give special consideration to programs which make maximum use of existing schools, community centers, settlement houses, and other facilities during times they are not in use for their primary purpose.

(7) No financial assistance shall be extended under this title in any case in which the Director determines that the costs of developing and administering all of the programs assisted under this title carried on by or under the supervision of any community action agency exceed 15 per centum of the total costs, including non-Federal contributions to such costs, of such programs. The Director, after consultation with the Director of the Bureau of

the Budget, shall establish by regulation, criteria for determining (i) the costs of developing and administering such programs, and (ii) the total costs of such programs. In any case in which the Director determines that the cost of administering such programs does not exceed 15 per centum of such total costs but is, in his judgment, excessive, he shall forthwith require such community action agency to take such steps prescribed by him as will eliminate such excessive administrative cost, including the sharing by one or more such community action agencies of a common director and other administrative personnel. The Director may waive the limitation prescribed by this paragraph for specific periods of time not to exceed six months whenever he determines that such a waiver is necessary in order to carry out the purposes of this title.

DURATION OF PROGRAM

Sec. 245. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1967, and the five succeeding fiscal years. For each such fiscal year only such sums may be appropriated as the Congress may authorize by law.

TITLE III—SPECIAL PROGRAMS TO COMBAT POVERTY IN RURAL AREAS

Part A—Rural Loan Programs

STATEMENT OF PURPOSE

Sec. 301. It is the purpose of this part to meet some of the special needs of low-income rural families by establishing a program of loans to assist in raising and maintaining their income living standards.

LOANS TO FAMILIES

Sec. 302. (a) The Director is authorized to make loans having a maximum maturity of 15 years and in amounts not resulting in an aggregate principal indebtedness of more than $3,500 at any one time to any low income rural family where, in the judgment of the Director, such loans have a reasonable possibility of effecting a permanent increase in the income of such families, or, in the case of the elderly, will contribute to the improvement of their living or housing conditions by assisting or permitting them to—

(A) acquire or improve real estate or reduce encumbrances or erect improvements thereon

(B) operate or improve the operation of farms not larger than family sized, including but not limited to the purchase of feed, seed, fertilizer, livestock, poultry, and equipment, or

(C) participate in coopertaive associations; and/or to finance nonagricultural enterprises which will enable such families to supplement their income.

(b) Loans under this section shall be made only if the family is not qualified to obtain such funds by loan under other Federal programs.

COOPERATIVE ASSOCIATIONS

SEC. 303. The Director is authorized to make loans to local cooperative associations furnishing essential processing, purchasing, or marketing services, supplies, or facilities predominantly to low-income rural families.

LIMITATIONS ON ASSISTANCE

SEC. 304. No financial or other assistance shall be provided under this part unless the Director determines that—

(a) the providing of such assistance will materially further the purposes of this part, and

(b) in the case of assistance provided pursuant to section 303, the applicant is fulfilling or will fulfill a need for services, facilities, or activities which is not otherwise being met.

LOAN TERMS AND CONDITIONS

SEC. 305. Loans pursuant to sections 302 and 303 shall have such terms and conditions as the Director shall determine, subject to the following limitations:

(a) there is reasonable assurance of repayment of the loan;

(b) the credit is not otherwise available on reasonable terms from private sources or other Federal, State, or local programs;

(c) the amount of the loan, together with other funds available, is adequate to assure completion of the project or achievement of the purposes for which the loan is made;

(d) the loan bears interest at a rate not less than (1) a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus (2) such additional charge, if any, toward covering other costs of the program as the Director may determine to be consistent with its purposes;

(e) with respect to loans made pursuant to section 303, the loan is repayable within not more than thirty years; and

(f) no financial or other assistance shall be provided under this part to or in connection with any corporation or cooperative organization for the production of agricultural commodities or for manufacturing purposes: *Provided*, that (1) packing, canning, cooking, freezing, or other processing used in preparing or marketing edible farm products, including, dairy products, shall not be regarded as manufacturing merely by reason of the fact that it results in the creation of a new or different substance; and (2) a cooperative organization formed by and consisting of members of an Indian tribe (including any tribe with whom the special Federal relationship with Indians has ben terminated) engaged in the production of agricultural commodities, or in manufacturing products, on an Indian reservation (or former reservation in the case of tribes with whom the special Federal relationship with Indians has been terminated) shall not be regarded as a cooperative organization within the purview of this clause.

REVOLVING FUND

Sec. 306. (a) to carry out the lending and guaranty functions authorized under this part, there is authorized to be established a revolving fund. The capital of the fund shall consist of such amounts as may be advanced to it by the Director from funds appropriated pursuant to section 321 and shall remain available until expended.

(b) The Director shall pay into miscellaneous receipts of the Treasury, at the close of each fiscal year, interest on the capital of the fund at a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity during the last month of the preceding fiscal year. Interest payments may be deferred with the approval of the Secretary of the Treasury, but any interest payment so deferred shall themselves bear interest.

(c) Whenever any capital in the fund is determined by the Director to be in excess of current needs, such capital shall be credited to the appropriation from which advanced, where it shall be held for future advances.

(d) Receipts from any lending and guaranty operations under this Act (except operations under title IV carried on by the Small Business Administration) shall be credited to the fund. The fund shall be available for the payment of all expenditures of the Director for loans, participations, and guaranties authorized under this part.

Part B—Assistance for Migrant, and Other Seasonally Employed, Farmworkers and Their Families

STATEMENT OF PURPOSE

Sec. 311. The purpose of this part is to assist migrant and seasonal farmworkers and their families to improve their living conditions and develop skills necessary for a productive and self-sufficient life in an increasingly complex and technological society.

FINANCIAL ASSISTANCE

Sec. 312. (a) The Director may provide financial assistance to assist State and local agencies, private nonprofit institutions and cooperatives in developing and carrying out programs to fulfill the purpose of this part.

(b) Programs assisted under this part may include projects or activities—

(1) to meet the immediate needs of migrant and seasonal farmworkers and their families, such as day care for children, education, health services, improved housing and sanitation (including the provision and maintenance of emergency and temporary housing and sanitation facilities), legal advice and representation, and consumer training and counseling;

(2) to promote increased community acceptance of migrant and seasonal farmworkers and their families; and

(3) to equip unskilled migrant and seasonal farmworkers and members of their families as appropriate through education and training

to meet the changing demands in agricultural employment brought about by technological advancement and to take advantage of opportunities available to improve their well-being and self-sufficiency by gaining regular or permanent employment or by participating in available Government training programs.

LIMITATIONS ON ASSISTANCE

SEC. 313. (a) Assistance shall not be extended under this part unless the Director determines that the applicant will maintain its prior level of effort in similar activities.

(b) The Director shall establish necessary procedures or requirements to assure that programs under this part are carried on in coordination with other programs or activities providing assistance to the persons and groups served.

TECHNICAL ASSISTANCE, TRAINING, AND EVALUATION

SEC. 314. (a) The Director may provide directly or through grants, contracts, or other arrangements, such technical assistance or training of personnel as may be required to implement effectively the purposes of this title.

(b) The Director shall provide for necessary evaluation of projects under this title and may, through grants or contracts, secure independent evaluation for this purpose. The results of such evaluation shall be published and shall be summarized in the report required by section 608.

PART C—DURATION OF PROGRAM

SEC. 321. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1967, and the five succeeding fiscal years. For each such fiscal year only such sums may be appropriated as the Congress may authorize by law.

TITLE IV—EMPLOYMENT AND INVESTMENT INCENTIVES

STATEMENT OF PURPOSE

SEC. 401. It is the purpose of this title to assist in the establishment, preservation, and strengthening of small business concerns and improve the managerial skills employed in such enterprises, with special attention to small business concerns (1) located in urban or rural areas with high proportions of unemployed or low-income individuals, or (2) owned by low-income individuals; and to mobilize for these objectives private as well as public managerial skills and resources.

LOANS, PARTICIPATIONS, AND GUARANTIES

SEC. 402. (a) The Administrator of the Small Business Administration is authorized to make, participate (on an immediate basis) in, or guarantee loans, payable in not more than fifteen years, to any small business concern (as defined in section 3 of the Small Business

Act (15 U.S.C. 632) and regulations issued thereunder), or to any qualified person seeking to establish such a concern, when he determines that such loans will assist in carrying out the purposes of this title, with particular emphasis on the preservation or establishment of small business concerns located in urban or rural areas with high proportions of unemployed or low-income individuals or owned by low-income individuals: *Provided, however*, That no such loans shall be made, participated in, or guaranteed if the total of such Federal assistance to a single borrower outstanding at any one time would exceed $25,000. The Administrator of the Small Business Administration may defer payments on the principal of such loans for a grace period and use such other methods as he deems necessary and appropriate to assure the successful establishment and operation of such concern. The Administrator of the Small Business Administration may, in his discretion, as a condition of such financial assistance, require that the borrower take steps to improve his management skills by participating in a management training program approved by the Administrator of the Small Business Administration: *Provided, however*, That any management training program so approved must be of sufficient scope and duration to provide reasonable opportunity for the individuals served to develop entrepreneurial and managerial self-sufficiency. The Administrator of the Small Business Administration shall encourage, as far as possible, the participation of the private business community in the program of assistance to such concerns, and shall seek to stimulate new private lending activities to such concerns through the use of the loan guaranties, participations in loans, and pooling arrangements authorized by this section.

(c)[1] To the extent necessary or appropriate to carry out the programs provided for in this title the Administrator of the Small Business Administration shall have the same powers as are conferred upon the Director by section 602 of this Act. To insure an equitable distribution between urban and rural areas for loans between $3,500 and $25,000 made under this title, the Administrator is authorized to use the agencies and agreements and delegations developed under title III of the Act as he shall determine necessary.

(c) The Administrator shall provide for the continuing evaluation of programs under this section, including full information on the location, income characteristics, and types of businesses and individuals assisted, and on new private lending activity stimulated, and the results of such evaluation together with recommendations shall be included in the report by section 608.

LOAN TERMS AND CONDITIONS

SEC. 403. Loans made pursuant to section 402 (including immediate participation in and guaranties of such loans) shall have such terms and conditions as the Administrator of the Small Business Administration shall determine, subject to the following limitations—

(a) there is reasonable assurance of repayment of the loan;

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[1] This subsection and the subsection which follows are both designated as subsection (c) as the result of a technical drafting error. (See: section 108 of the Small Business Act Amendments of 1967, Public Law 90–104, October 11, 1967 and sections 106(c)(2) and 106(c)(4) of the Economic Opportunity Amendments of 1967, Public Law 90–222, December 23, 1967, 81 Stat. 710.)

(b) the financial assistance is not otherwise available on reasonable terms from private sources or other Federal, State, or local programs;

(c) the amount of the loan, together with other funds available, is adequate to assure completion of the project or achievement of the purposes for which the loan is made;

(d) the loan bears interest at a rate not less than (1) a rate determined by the Secretary of the Treasury, taking into consideration the average market yield on outstanding Treasury obligations of comparable maturity, plus (2) such additional charge, if any, toward covering other costs of the program as the Administrator of the Small Business Administration may determine to be consistent with its purposes: *Provided, however*, That the rate of interest charged on loans made in redevelopment areas designated under the Area Redevelopment Act (42 U.S.C. 2501 et seq.) shall not exceed the rate currently applicable to new loans made under section 6 of that Act (42 U.S.C. 2505); and

(e) fees not in excess of amounts necessary to cover administrative expenses and probable losses may be required on loan guaranties.

DISTRIBUTION OF FINANCIAL ASSISTANCE

SEC. 404. The Administrator of the Small Business Administration shall take such steps as may be necessary to insure that, in any fiscal year, at least 50 per centum of the amounts loaned or guaranteed pursuant to this part are allotted to small business concerns located in urban areas identified by the Director, after consideration of any recommendations of the Administrator of the Small Business Administration, as having high concentrations of unemployed or low-income individuals or to small business concerns owned by low-income individuals. The Administrator of the Small Business Administration, after consideration of any recommendations of the Director, shall define the meaning of low income as it applies to owners of small business concerns eligible to be assisted under this part, and such definition need not correspond to the definition of low income as used elsewhere in this Act.

LIMITATION ON FINANCIAL ASSISTANCE

SEC. 405. No financial assistance shall be extended pursuant to this title where the Administrator of the Small Business Administration determines that the assistance will be used in relocating establishments from one area to another if such relocation would result in an increase in unemployment in the area of original location.

TECHNICAL ASSISTANCE AND MANAGEMENT TRAINING

SEC. 406. (a) The Administrator of the Small Business Administration is authorized to provide financial assistance to public or private organizations to pay all or part of the costs of projects designed to provide technical and management assistance to individuals or enterprises eligible for assistance under section 402, with special attention to small business concerns located in urban areas of high concentration of unemployed or low income individuals or owned by low-income individuals.

(b) Financial assistance under this section may be provided for projects, including without limitation—

(1) planning and research, including feasibility studies and market research;

(2) the identification and development of new business opportunities;

(3) the furnishing of centralized services with regard to public services and government programs, including programs authorized under section 402;

(4) the establishment and strengthening of business service agencies, including trade associations and cooperatives;

(5) the encouragement of the placement of subcontracts by major business with small business concerns located in urban areas of high concentration of unemployed or low-income individuals or owned by low-income individuals, including the provision of incentives and assistance to such major businesses so that they will aid in the training and upgrading of potential subcontractors or other small business concerns; and

(6) the furnishing of business counseling, management training, and legal and other related services, with special emphasis on the development of management training programs using the resources of the business community, including the development of management training opportunities in existing businesses, and with emphasis in all cases upon providing management training of sufficient scope and duration to develop entrepreneurial and managerial self-sufficiency on the part of the individuals served.

(c) The Administrator of the Small Business Administration shall give preference to projects which promote the ownership, participation in ownership, or management of small business concerns by residents of urban areas of high concentration of unemployed or low-income individuals, and to projects which are planned and carried out with the participation of local businessmen.

(d) To the extent feasible, services under this section shall be provided in a location which is easily accessible to the individuals and small business concerns served.

(e) The Administrator of the Small Business Administration shall, in carrying out programs under this section, consult with and take into consideration the views of the Secretary of Commerce, with a view to coordinating activities and avoiding duplication of effort.

(f) The President may, if he determines that it is necessary to carry out the purposes of this part, transfer any of the functions under this section to the Secretary of Commerce.

(g) The Administrator of the Small Business Administration shall provide for an independent and continuing evaluation of programs under this section, including full information on and analysis of the character and impact of managerial assistance provided, the location, income characteristics, and types of businesses and individuals assisted, and the extent to which private resources and skills have been involved in these programs. Such evaluation together with any recommendations as he deems advisable shall be included in the report required by section 608.

GOVERNMENT CONTRACTS

SEC. 407. (a) The Administrator of the Small Business Administration shall take such steps as may be necessary and appropriate, in coordination and cooperation with the heads of other Federal departments and agencies, so that contracts, subcontracts, and deposits made by the Federal Government or in connection with programs aided with Federal funds are placed in such a way as to further the purposes of this title.

(b) The Administrator of the Small Business Administration shall provide for the continuing evaluation of programs under this section and the results of such evaluation together with recommendations shall be included in the report required by section 608.

DURATION OF PROGRAM

SEC. 408. The Administrator of the Small Business Administration and the Secretary of Commerce shall carry out the programs provided for in this title during the fiscal year ending June 30, 1967, and the five succeeding fiscal years.

TITLE V—WORK EXPERIENCE, TRAINING, AND DAY CARE PROGRAMS

PART A—WORK EXPERIENCE AND TRAINING PROGRAMS

STATEMENT OF PURPOSE

SEC. 501. It is the purpose of this part to expand the opportunities for constructive work experience and other needed training available to persons (including workers in farm families with less than $1,200 net family income, unemployed heads of families and other needy persons) who are unable to support themselves or their families.

TRANSFER OF FUNDS

SEC. 502. In order to permit the carrying out of work experience and training programs meeting the criteria set forth in part E of title II of the Manpower Development and Training Act of 1962, the Director is authorized to transfer funds to the Secretary of Health, Education, and Welfare to enable him (1) to make payments under section 1115 of the Social Security Act for experimental, pilot, or demonstration projects which provide pretraining services and basic maintenance, health, family, basic education, day care, counseling, and similar supportive services required for such programs, and (2) to reimburse the Secretary of Labor for carrying out the activities described in such part E of title II of the Manpower Development and Training Act of 1962. Costs of such projects and activities shall, notwithstanding the provisions of the Social Security Act and the Manpower Development and Training Act of 1962, be met entirely from funds appropriated to carry out this part: *Provided*, That such funds may not be used to assist families and individuals insofar as they are otherwise receiving or eligible to receive assistance or social services through a State plan approved under titles I, IV, X, XIV, XVI, or XIX of the Social Security Act.

LIMITATIONS ON WORK EXPERIENCE AND TRAINING PROGRAMS

SEC. 503. (a) The provisions of paragraphs (1) to (6), inclusive, of section 409 of the Social Security Act, unless otherwise inconsistent with the provisions of this part, shall be applicable with respect to work experience and training programs assisted with funds under this part. The costs of such programs to the United States shall, notwithstanding the provisions of such Act, be met entirely from funds appropriated or allocated to carry out the purpose of this part.

(b) Work experience and training programs shall be so designed that participation of individuals in such programs will not ordinarily exceed 36 months, except that nothing in this subsection shall prevent the provision of necessary and appropriate follow-up services for a reasonable period after an individual has completed work experience and training.

(c) Not more than 12½ percent of the sums appropriated or allocated for any fiscal year to carry out the purposes of this part shall be used within any one state. In the case of any work experience and training program approved on or after July 1, 1968, not more than 80 percent of the costs of projects or activities referred to in section 502 may be paid from funds appropriated or allocated to carry out this part, unless the Secretary of Health, Education, and Welfare determines, pursuant to regulations prescribed by him establishing objective criteria for such determinations, that assistance in excess of such percentage is required in furtherance of the purposes of this part. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment, and services.

DURATION OF PROGRAMS

SEC. 504. The Director shall carry out the programs provided for in this part during the fiscal year ending June 30, 1967, and the three succeeding fiscal years. For each such fiscal year only such sums may be appropriated as the Congress may authorize by law.

TRANSITION

SEC. 505. The Secretary of Labor is authorized to provide work experience and training programs authorized by section 261(a) (3) and (4) of part E of title II of the Manpower Development and Training Act of 1962, commencing July 1, 1967. The Secretary of Health, Education, and Welfare is authorized to provide such work experience and training programs through June 30, 1967, and may also continue to completion those work experience and training programs commenced prior to that date, but in no event shall such programs be extended beyond June 30, 1968. After June 30, 1967, the Secretary of Health, Education, and Welfare, pursuant to agreement with the Secretary of Labor which shall include provisions for joint evaluation and approval of the training and work experience aspect of each project or program, may also—

(1) with the concurrence of the Secretary of Labor, renew existing projects and programs, or develop and provide new projects or programs, to accomplish the purposes of this part and of part E of title II of the Manpower Development and Training Act of 1962; and

(2) with the concurrence of the Secretary of Labor, develop and provide other work experience and training programs pursuant to such part E, with respect to such projects or parts of projects which the Secretary of Labor is unable to provide after being given notice and a reasonable opportunity to do so.

Before July 1, 1967, the Secretary of Health, Education, and Welfare may, for the purposes of this part and part E of title II of the Manpower Development and Training Act of 1962, utilize the services and facilities available under the manpower development and utilization programs administered by the Department of Labor which may include, but not be limited to, testing, counseling, job referral and follow-up services required to assist participants in securing and obtaining employment, training opportunities, either on or off the job, available under the Manpower Development and Training Act of 1962, and relocation assistance to involuntarily unemployed individuals in accordance with the standards prescribed in section 104 of the Manpower Development and Training Act of 1962, and shall compensate the Secretary of Labor for the reasonable costs thereof either by advance or reimbursement.

Part B—Day Care Projects

STATEMENT OF PURPOSE

Sec. 521. The purpose of this part is to provide day care for children from families which need such assistance to become or remain self-sufficient or otherwise to obtain objectives related to the purposes of this Act, with particular emphasis upon enabling the parents or relatives of such children to choose to undertake or to continue basic education, vocational training, or gainful employment.

FINANCIAL ASSISTANCE FOR DAY CARE PROJECTS

Sec. 522. (a) The Director is authorized to provide financial assistance to appropriate public agencies and private organizations to pay not to exceed 90 per centum of the cost of planning, conducting, administering, and evaluating projects under which children from low-income families or from urban and rural areas with large concentrations or proportions of low-income persons may receive day care. Non-Federal contributions may be in cash or in kind, fairly evaluated, including but not limited to plant, equipment and services. Such day care projects shall provide health, education, social, and such other supportive services as may be needed. Financial assistance under this section may be provided to employers, labor unions, or to joint employer-union organizations, for day care projects established at or in association with a place of employment or training where such projects are financed in major part through private funds. Project costs payable under this part may include costs of renovation and alteration of physical facilities. Financial assistance under this section may be provided in conjunction with or to supplement day care projects under the Social Security Act or other relevant statutes.

(b) The Director may require a family which is not a low-income family to make payment, in whole or in part, for the day care services provided under this program where the family's financial condition is, or becomes through employment or otherwise, such as to make such payment appropriate.

(c) The Director may provide, directly or through contracts or other arrangements, technical assistance and training necessary for the initiation or effective operation of programs under this part.

(d) The Director and the Secretary of Health, Education, and Welfare shall take all necessary steps to coordinate programs under their jurisdictions which provide day care, with a view to establishing, insofar as possible, a common set of program standards and regulations. and mechanisms for coordination at the State and local levels. In approving applications for assistance under this part, the Director shall take into consideration (1) the extent to which applicants show evidence of coordination and cooperation between their projects and other day care programs in the areas which they will serve, and (2) the extent to which unemployed or low-income individuals are to be employed, including individuals receiving or eligible to receive assistance under the Social Security Act.

(e) Each project to which payments are made hereunder shall provide for a thorough evaluation. This evaluation shall be conducted by such agency or independent public or private organization as the Director shall designate, with a view to determining, among other things, the extent to which the day care provided may have increased the employment of parents and relatives of the children served, the extent to which such day care may have reduced the costs of aid and services to such children, the extent to which such children have received health and educational benefits, and the extent to which the project has been coordinated with other day care activities in the area served. Up to 100 per centum of the costs of evaluation may be paid by the Director from funds appropriated for the purposes of carrying out this part, except that where such evaluation is carried on by the assisted agency itself, he may pay only 90 per centum of such costs. Such evaluations, together with a report on the program described in this part, shall be included in the report required by section 608.

DURATION OF PROGRAMS

SEC. 523. The Director shall carry out the programs provided for in this part during the fiscal year ending June 30, 1968, and the four succeeding fiscal years.

TITLE VI—ADMINISTRATION AND COORDINATION

Part A—Administration

OFFICE OF ECONOMIC OPPORTUNITY

Sec. 601. (a) There is hereby established in the Executive Office of the President the Office of Economic Opportunity. The Office shall be headed by a Director who shall be appointed by the President, by and with the advice and consent of the Senate. There shall also be in the Office one Deputy Director and five Assistant Directors who shall be appointed by the President, by and with the advice and consent of the Senate. The Deputy Director and the Assistanty Directors shall perform such functions as the Director may from time to time prescribe.

(b) Notwithstanding the provisions of section 5(b) of the Reorganization Act of 1949 (5 U.S.C. 133z-3(b)), at any time after one year from the date of enactment hereof the President may, by complying with the procedures established by that Act, provide for the transfer of the Office from the Executive Office of the President and for its establishment elsewhere in the executive branch as he deems appropriate.

(c) The compensation of the Director of the Office of Economic Opportunity shall be fixed by the President at a rate not in excess of the annual rate of compensation payable to the Director of the Bureau of the Budget.

(d) The compensation of the Deputy Director of the Office of Economic Opportunity shall be fixed by the President at a rate not in excess of the annual rate of compensation payable to the Deputy Director of the Bureau of the Budget.

(e) The compensation of the Assistant Directors of the Office of Economic Opportunity shall be fixed by the President at a rate not in excess of the annual rate of compensation payable to the Assistant Secretaries of the Executive Departments.

AUTHORITY OF DIRECTOR

Sec. 602. In addition to the authority conferred upon him by other sections of this Act, the Director is authorized, in carrying out his functions under this Act, to—

(a) appoint in accordance with the civil service laws such personnel as may be necessary to enable the Office to carry out its functions, and, except as otherwise provided herein, fix their compensation in accordance with the Classification Act of 1949 (5 U.S.C. 1071 et seq.);

(b) (1) employ experts and consultants or organizations thereof as authorized by section 15 of the Administrative Expenses Act of 1946 (5 U.S.C. 55a), except that no individual may be employed under the authority of this subsection for more than 100 days in any fiscal year; (2) compensate individuals so employed at rates not in excess of $100 per diem, including travel time; and (3) allow them, while away from their homes or regular places of business, travel expenses (including per diem in lieu of subsistence) as authorized by section 5 of such Act (5 U.S.C. 73b—2) for persons in the Government service employed intermittently, while so employed: *Provided, however*, That contracts for such employment may be renewed annually;

(c) appoint, without regard to the civil service laws, one or more advisory committees composed of such private citizens and officials of the Federal, State, and local governments as he deems desirable to advise him with respect to his functions under this Act; and members of such committees (including the National Advisory Council established in section 605), other than those regularly employed by the Federal Government, while attending meetings of such committees or otherwise serving at the request of the Director, shall be entitled to receive compensation and travel expenses as provided in subsection (b) with respect to experts and consultants;

(d)[1] with the approval of the President, arrange with and reimburse the heads of other Federal agencies for the performance of any of his functions under this Act and, as necessary or appropriate, delegate any of his powers under this Act and authorize the redelegation thereof subject to provisions to assure the maximum possible liaison between the Office of Economic Opportunity and such other agencies at all operating levels, which shall include the furnishing of complete operational information by such other agencies to the Office of Economic Opportunity and the furnishing of such information by such Office to such other agencies;

(e) utilize, with their consent, the services and facilities of Federal agencies without reimbursement, and, with the consent of any State or a political subdivision of a State, accept and utilize the services and facilities of the agencies of such State or subdivision without reimbursement;

(f) accept in the name of the Office, and employ or dispose of in furtherance of the purposes of this Act, or of any title thereof, any money, or property, real, personal, or mixed, tangible or intangible, received by gift, devise, bequest, or otherwise;

(g) accept voluntary and uncompensated services, notwithstanding the provisions of section 3679(b) of the Revised Statutes (31 U.S.C. 665(b));

(h) allocate and expend, or transfer to other Federal agencies for expenditure, funds made available under this Act as he deems necessary to carry out the provisions hereof, including (without regard to the provisions of section 4774(d) of title 10, United States Code) expenditure for construction, repairs, and capital improvements;

(i) disseminate, without regard to the provisions of section 4154 of title 39, United States Code, data and information, in such forms as he shall deem appropriate, to public agencies, private organizations, and the general public;

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[1] Section 114 of the Economic Opportunity Amendments of 1969, Public Law 91–177, December 30, 1969, 83 Stat. 827, 833, states that "The authority of section 602(d) of the Economic Opportunity Act of 1964 shall not apply to the Legal Services program authorized under section 222(a)(3) of such Act. The Director of the Office of Economic Opportunity shall not delegate the program authorized under such section 222(a)(3) to any other existing Federal agency."

(j) adopt an official seal, which shall be judicially noticed;

(k) notwithstanding any other provision of law relating to the acquisition, handling, or disposal of real or personal property by the United States, deal with, complete, rent, renovate, modernize, or sell for cash or credit at his discretion any properties acquired by him in connection with loans, participations, and guaranties made by him pursuant to titles III and IV of this Act;

(l) collect or compromise all obligations to or held by him and all legal or equitable rights accruing to him in connection with the payment of obligations until such time as such obligations may be referred to the Attorney General for suit or collection;

(m) expend funds made available for purposes of this Act—

(1) for printing and binding, in accordance with applicable law and regulation; and

(2) without regard to any other law or regulation, for rent of buildings and space in buildings and for repair, alteration, and improvement of buildings and space in buildings rented by him; but the Director shall not utilize the authority contained in this subparagraph (2)—

(A) except when necessary to obtain an item, service, or facility, which is required in the proper administration of this Act, and which otherwise could not be obtained, or could not be obtained in the quantity or quality needed, or at the time, in the form, or under the conditions in which, it is needed, and

(B) prior to having given written notification to the Administrator of General Services (if the exercise of such authority would affect an activity which otherwise would be under the jurisdiction of the General Services Administration) of his intention to exercise such authority, the item, service, or facility with respect to which such authority is proposed to be exercised, and the reasons and justifications for the exercise of such authority; and

(n) establish such policies, standards, criteria, and procedures, prescribe such rules and regulations, enter into such contracts and agreements with public agencies and private organizations and persons, make such payments (in lump sum or installments, and in advance or by way of reimbursement, and in the case of grants, with necessary adjustments on account of overpayments or underpayments), and generally perform such functions and take such steps as he may deem to be necessary or appropriate to carry out the provisions of this Act.

POLITICAL ACTIVITIES

SEC. 603. (a) For purposes of chapter 15 of title 5 of the United States Code any overall community action agency which assumes responsibility for planning, developing, and coordinating communitywide antipoverty programs and receives assistance under this Act shall be deemed to be a State or local agency; and for purposes of clauses (1) and (2) of section 1502(a) of such title any agency receiving assistance under this Act (other than part C of title I) shall be deemed to be a State or local agency.

(b) Programs assisted under this Act shall not be carried on in a manner involving the use of program funds, the provision of services, or the employment or assignment of personnel in a manner supporting or resulting in the identification of such programs with (1) any partisan or nonpartisan political activity or any other political activity associated with a candidate, or contending faction or group, in an election for public or party office, (2) any activity to provide voters or prospective voters with transportation to the polls or similar assistance in connection with any such election, or (3) any voter registration activity. The Director, after consultation with the Civil Service Commission, shall issue rules and regulations to provide for the enforcement of this section, which shall include provisions for summary suspension of assistance or other action necessary to permit enforcement on an emergency basis.

APPEALS, NOTICE AND HEARING

SEC. 604. The Director shall prescribe procedures to assure that—

(1) special notice of and an opportunity for a timely and expeditious appeal to the Director is provided for an agency or organization which would like to serve as a delegate agency under title I–B or II and whose application to the prime sponsor or community action agency has been wholly or substantially rejected or has not been acted upon within a period of time deemed reasonable by the Director;

(2) financial assistance under title I–B, II, and III–B shall not be suspended for failure to comply with applicable terms and conditions, except in emergency situations, nor shall an application for refunding under section 123, 221, 222, or 312 be denied, unless the recipient agency has been given reasonable notice and opportunity to show cause why such action should not be taken; and

(3) financial assistance under title I–B, II, and III–B shall not be terminated for failure to comply with applicable terms and conditions unless the recipient agency has been afforded reasonable notice and opportunity for a full and fair hearing.

NATIONAL ADVISORY COUNCIL ON ECONOMIC OPPORTUNITY

SEC. 605. (a) There is hereby established in the Office a National Advisory Council on Economic Opportunity (hereinafter referred to as the Advisory Council), to be composed of twenty-one members appointed, for staggered terms and without regard to the civil service laws, by the President. Such members shall be representative of the public in general and appropriate fields of endeavor related to the purposes of this Act. The President shall designate the chairman from among such members. The Advisory Council shall meet at the call of the chairman but not less often than four times a year. The Director shall be an ex officio member of the Advisory Council.

(b) The Advisory Council shall—

(1) advise the Director with respect to policy matters arising in the administration of this Act; and

(2) review the effectiveness and the operation of programs under this Act and make recommendations concerning (A) the improvement of such programs, (B) the elimination of duplication of effort and (C) the coordination of such programs with other Federal programs designed to assist low income individuals and families.

Such recommendations shall include such proposals for changes in this Act as the Advisory Council deems appropriate.

(c) The Advisory Council shall make an annual report of its findings and recommendations to the President not later than March 31 of each calendar year beginning with the calendar year 1967. The President shall transmit each such report to the Congress together with his comments and recommendations.

ANNOUNCEMENT OF RESEARCH OR DEMONSTRATION CONTRACTS

SEC. 606. (a) The Director or the head of any Federal agency administering a program under this Act shall make a public announcement concerning:

(1) The title, purpose, intended completion date, identity of the contractor, and proposed cost of any contract with a private or non-Federal public agency or organization for any demonstration or research project; and

(2) The results, findings, data, or recommendations made or reported as a result of such activities.

(b) The public announcements required by subsection (a) shall be made within thirty days of entering into such contracts and thereafter within thirty days of the receipt of such results.

(c) It shall be the duty of the Comptroller General to assure that the requirements of this section are met, and he shall at once report to the Congress concerning any failure to comply with these requirements.

LABOR STANDARDS

SEC. 607. All laborers and mechanics employed by contractors or subcontractors in the construction, alteration or repair, including painting and decorating of projects, buildings and works which are federally assisted under this Act shall be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5). The Secretary of Labor shall have, with respect to such labor standards, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267; 5 U.S.C. 133—133z-15), and section 2 of the Act of June 1, 1934, as amended (48 Stat. 948, as amended; 40 U.S.C. 276(C)).

REPORTS

SEC. 608. Not later than one hundred and twenty days after the close of each fiscal year, the Director shall prepare and submit to the President for transmittal to the Congress a full and complete report on the activities of the Office during such year.

DEFINITIONS

SEC. 609. As used in this Act—

(1) the term "State" means a State, the Commonwealth of Puerto Rico, the District of Columbia, Guam, American Samoa, or the Virgin Islands, and for purposes of title I, title II, title III-A, and title IV the meaning of "State" shall also include the

Trust Territory of the Pacific Islands; except that when used in section 225 of this Act this term means only a State or the District of Columbia. The term "United States" when used in a geographical sense includes all those places named in the previous sentence, and all other places continental or insular, subject to the jurisdiction of the United States;

(2) the term "financial assistance" when used in titles I, II, III–B, IV, and V–B includes assistance advanced by grant, agreement, or contract, but does not include the procurement of plant or equipment, or goods or services;

(3) the term "permanent resident of the United States" when used in titles I–A and I–B shall include any native and citizen of Cuba who arrived in the United States from Cuba as a non-immigrant or as a parolee subsequent to January 1, 1959, under the provisions of section 214(a) or 212(d)(5), respectively, or any person admitted as a conditional entrant under section 203(a)(7), of the Immigration and Nationality Act; and

(4) the term "Director" means the Director of the Office of Economic Opportunity.

PROGRAMS FOR THE ELDERLY POOR

Sec. 610. It is the intention of Congress that whenever feasible the special problems of the elderly poor shall be considered in the development, conduct, and administration of programs under this Act. The Director shall (1) carry out such investigations and studies, including consultations with appropriate agencies and organizations, as may be necessary to develop and carry out a plan for the participation of the elderly poor in programs under this Act, including programs providing employment opportunities, public service opportunities, education and other services and activities which assist the elderly poor to achieve self-sufficiency; (2) maintain a constant review of all programs under this Act to assure that the needs of the elderly poor are given adequate consideration; (3) initiate and maintain interagency liaison with all other appropriate Federal agencies to achieve a coordinated national approach to the needs of the elderly poor; and (4) determine and recommend to the President and the Congress such programs requiring additional authority and the necessary legislation to provide such authority. In exercising his responsibilities under this section, the Director shall cooperate with the Commissioner on Aging. The Director shall describe the ways in which this section has been implemented in the annual report required by section 608.

COMPARABILITY OF WAGES

Sec. 610–1. (a) The Director shall take such action as may be necessary to assure that persons employed in carrying out programs financed under part A of title I or title II (except a person compensated as provided in section 602) shall not receive compensation at a rate which is (1) in excess of the average rate of compensation paid in the area where the program is carried out to a substantial number of the persons providing substantially comparable services, or in excess of the average rate of compensation paid to a substantial number of the persons providing substantially comparable services in the area of the person's immediately preceding employment, whichever is higher or (2) less than the minimum wage rate prescribed in section 6(a)(1) of the Fair Labor Standards Act of 1938.

(b) Not later than sixty days after the close of the fiscal year 1967 and each fiscal year thereafter the Director shall prepare and submit to the President for submission to the Congress a list of the names of all officers or employees whose compensation is subject to the limitations set forth in subsection (a) of this section and who were receiving at the end of such fiscal year a salary of $10,000 or more per year, together with the amount of compensation paid to each person and the amount of such compensation paid from funds advanced or granted pursuant to this Act. No grant, contract or agreement shall be made under any of the provisions of this Act referred to in subsection (a) of this section which does not contain adequate provisions to assure the furnishing of information required by the preceding sentence.

(c) No person whose compensation exceeds $6,000 per annum and is paid pursuant to any grant, contract, or agreement authorized under part A of title I or part A of title II (except a person compensated as provided in section 602) shall be employed at a rate of compensation which exceeds by more than 20 percent the salary which he was receiving in his immediately preceding employment, but the Director may grant exceptions for specific cases. In determining salary in preceding employment for one regularly employed for a period of less than 12 months per year, the salary shall be adjusted to an annual basis.

LIMITATION ON BENEFITS FOR THOSE VOLUNTARILY POOR

SEC. 611. The Director shall take such action as may be necessary to assure that, in determining a person's eligibility for benefits under this Act on account of his poverty, such person will not be deemed to meet the poverty criteria if his lack of income results from his refusal, without good cause, to seek or accept employment commensurate with his health, age, education, and ability.

JOINT FUNDING

SEC. 612. Pursuant to regulations prescribed by the President, where funds are advanced for a single project by more than one Federal agency to a community action agency or other agency assisted under this Act, any one Federal agency may be designated to act for all in administering the funds advanced. In such cases, a single local share requirement may be established according to the proportion of funds advanced by each agency, and any such agency may waive any technical grant or contract requirement (as defined by such regulations) which is inconsistent with the similar requirements of the administering agency or which the administering agency does not impose.

LIMITATION WITH RESPECT TO CERTAIN UNLAWFUL ACTIVITIES

SEC. 613. No individual employed or assigned by any community action agency or other agency assisted under this Act shall, pursuant to or during the performance of services rendered in connection with any program or activity conducted or assisted under this Act by such community action agency or such other agency, plan, initiate, participate in, or otherwise aid or assist in the conduct of any unlawful demonstration, rioting, or civil disturbance.

PROHIBITION OF FEDERAL CONTROL

Sec. 614. Nothing contained in this Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution or school system.

DURATION OF PROGRAM

Sec. 615. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1967, and the five succeeding fiscal years. For each such fiscal year only such sums may be appropriated as the Congress may authorize by law.

TRANSFER OF FUNDS

Sec. 616. Notwithstanding any limitation on appropriations for any program or activity under this Act or any Act authorizing appropriations for such program or activity, not to exceed 10 per centum for fiscal years ending prior to July 1, 1970, and not to exceed 15 per centum for fiscal years ending thereafter of the amount appropriated or allocated from any appropriation for the purpose of enabling the Director to carry out any such program or activity under the Act may be transferred and used by the Director for the purpose of carrying out any other such program or activity under the Act; but no such transfer shall result in increasing the amounts otherwise available for any program or activity by—

(1) more than 100 per centum in the case of any program or activity for which the amounts otherwise available are $10,000,000 or less; or

(2) more than 35 per centum in the case of any program or activity for which the amounts otherwise available exceed $10,000,000.

DISTRIBUTION OF BENEFITS BETWEEN RURAL AND URBAN AREAS

Sec. 617. The Director shall adopt appropriate administrative measures to assure that benefits of this Act will be distributed equitably between residents of rural and urban areas.

LIMITATIONS ON FEDERAL ADMINISTRATIVE EXPENSES

Sec. 619.[1] The total administrative expenses, including the compensation of Federal employees, incurred by Federal agencies under the authority of this Act for any fiscal year shall not exceed ten percent of the amount authorized to be appropriated by this Act for that year: *Provided, however*, that grants, subsidies, and contributions, and payments to individuals, other than Federal employees shall not be counted as an administrative expense.

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[1] Section 618 which formerly preceded this section expired by its terms at the end of fiscal year 1967 (see section 611 of the Economic Opportunity Amendments of 1966, Public Law 89–794, 80 Stat. 1471).

PRIVATE ENTERPRISE PARTICIPATION

SEC. 620. The Director and the heads of any other Federal departments or agencies to which the conduct of programs described in this Act have been delegated shall take such steps as may be desirable and appropriate to insure that the resources of private enterprise are employed to the maximum feasible extent in the programs described in this Act. The Director and such other agency heads shall submit at least annually to the Congress a joint or combined report describing the actions taken and the progress made under this section.

RESPONSIBILITY FOR FOLLOW-THROUGH PROGRAMS

SEC. 621. Pursuant to section 602(d), the Director shall delegate his functions under section 222(a)(2) to the Secretary of Health, Education, and Welfare, and such functions shall be carried out through the Office of Education of the Department of Health, Education, and Welfare.

ADVANCE FUNDING [2]

SEC. 622. For the purpose of affording adequate notice of funding available under this Act, appropriations for grants, contracts, or other payments under this Act are authorized to be included in the appropriation Act for the fiscal year preceding the fiscal year for which they are available for obligation.

PART B—COORDINATION

STATEMENT OF PURPOSE

SEC. 630. This part establishes an Economic Opportunity Council, provides for an information center, and prescribes certain duties and responsibilities. Its purpose is to promote better coordination among all programs related to this Act, with a view to making those programs more effective in reaching and serving the poor, assisting State and local agencies to adapt diverse Federal programs to varying local problems and conditions, stimulating new and more imaginative ways of combining complementary Federal resources in the solution of specific problems, and generally improving cooperation and communication among all levels of government, agencies, and institutions in matters related to the purposes of this Act.

ECONOMIC OPPORTUNITY COUNCIL

SEC. 631. (a) There is established, in the Executive Office of the President, the Economic Opportunity Council (hereinafter referred to as the "Council"), which shall be composed of the Director and the heads of such Federal departments and agencies, such Presidential assistants and such other officials of the Federal Government as the President may from time to time designate. The President shall designate one of the members of the Council to serve as chairman. Each member shall designate an alternate to sit in his stead in the event of his unavoidable absence.

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[2] This new section was added to part A of title VI by section 111(a) of the Economic Opportunity Amendments of 1969, Public Law 91–177, December 30, 1969, 83 Stat. 827, 831, and section 111(b) of these Amendments states that "in order to effect a transition to the advance funding method of timing appropriation action, the amendment made by section 111(a) shall apply notwithstanding that its initial application will result in the enactment in the same year (whether in the same appropriation Act or otherwise) of two separate appropriations, one for the then current fiscal year and one for the succeeding fiscal year."

(b) It shall be the responsibility of the Council to assist the President in—

(1) providing for the coordination of Federal programs and activities related to this Act;

(2) developing basic policies and setting priorities with respect to such programs and activities;

(3) resolving differences arising among Federal departments and agencies with respect to such programs and activities; and

(4) initiating and arranging for the carrying out of specific actions or projects designed to achieve the objectives of this Act.

(c) The President shall appoint an Executive Secretary[1] of the Council. The Executive Secretary is authorized to appoint and fix the compensation of such personnel as may be necessary to assist him in the performance of his duties. Employees of other Federal departments and agencies may be detailed to the Council from time to time to provide temporary assistance.

(d) To the extent appropriate, a report of the activities of the Council shall be included in the annual report of the Director to the President and to the Congress, or in a separate report to the Congress.

(e) From the sums authorized and appropriated to carry out the provisions of this title, the President shall reserve such amounts as may be necessary to carry out the purposes of this section.

RESPONSIBILITIES OF THE DIRECTOR

SEC. 632. In addition to his other powers under this Act, and to assist the President in coordinating the antipoverty efforts of all Federal agencies, the Director shall—

(1) undertake special studies of specific coordination problems at the request of the President or the Council, or on his own initiative;

(2) carry on a continuing evaluation of all activities under this Act, and consult with interested agencies and groups, including State agencies described in section 231 of this Act and the National Advisory Council, with a view to identifying coordination problems that may warrant consideration by the Council or the President and, to the extent feasible or appropriate, initiate action for overcoming those problems, either through the Office of Economic Opportunity or in conjunction with other Federal, State, or local agencies; and

(3) prepare a five-year national poverty action plan showing estimates of Federal and other governmental expenditures, and, where feasible, the contributions of the private sector, needed to eliminate poverty in this country within alternative periods of

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[1] Section 111(c) of the Economic Opportunity Amendments of 1967, Public Law 90-222, December 23, 1967, 81 Stat. 726, added the Executive Secretary of the Economic Opportunity Council to the list of secretaries and executive, administrative, and staff assistants in 3 U.S.C. 105 for whom the President is authorized to establish rates of basic compensation not to exceed that of level II of the Federal Executive Salary Schedule.

time. Such plan shall include estimates of the funds necessary to finance all relevant programs authorized by this and other Acts, and any new programs which may be necessary to eliminate poverty in this country, and it shall include recommendations for such new programs. The plan shall be presented to the Congress and updated on an annual basis.

COOPERATION OF FEDERAL AGENCIES

SEC. 633. (a) Federal agencies administering programs related to this Act shall—

(1) cooperate with the Director and with the Council in carrying out their duties and responsibilities; and

(2) carry out their programs and exercise their functions so as to assist in carrying out the provisions and purposes of this Act, to the fullest extent permitted by other applicable law.

(b) The Council and the Director may call upon Federal agencies to supply statistical data, program reports, and other materials as they deem necessary to discharge their responsibilities under this Act.

(c) The President may direct that particular programs and functions, including the expenditure of funds, of Federal agencies shall be carried out, to the extent not inconsistent with other applicable law, in conjunction with or in support of programs authorized under this Act.

COMBINATIONS AMONG PROJECTS AND PROGRAMS

SEC. 634. In order to encourage efficiencies, close unnecessary service gaps, and generally promote more effective administration, the Director shall require, to the fullest extent feasible, that projects or programs assisted under this Act be carried on so as to supplement one another, or where appropriate other related programs or projects, and be included within or otherwise carried on in combination with community action programs. In the case of other programs related to this Act, the heads of the Federal agencies responsible for those programs shall, to the extent permitted by law, similarly provide assistance for projects and activities in a manner which encourages combinations with other related projects and activities where appropriate, and with community action programs. The Economic Opportunity Council shall, in carrying out its responsibilities under this part, make a continuing review of the operation of this section with a view to (1) determining particular groups of programs which, because of their objectives, or similarities in target groups or areas, are especially appropriate for combined or closely coordinated operation at the State or local level, and making recommendations accordingly to the President or appropriate Federal officials; (2) evaluating Federal agency procedures for carrying out this section, and developing or recommending additional or common procedures, as appropriate; and (3) determining whether, and to what extent, consolidations of Federal programs may be justified and making recommendations respecting such consolidations to the Director and the President.

INFORMATION CENTER

SEC. 635. (a) The Director shall establish and operate an information center for the purpose of insuring that maximum use is made of Federal programs related to this Act and that information concerning those programs and other relevant information is readily available to public officials and other interested persons. The Director shall collect, prepare, analyze, correlate, and distribute information as described above, either free of charge or by sale at cost (any funds so received to be deposited to the Director's account as an offset of that cost), and may make arrangements and pay for any printing and binding without regard to the provisions of any other law or regulations. In connection with operation of the center, the Director may carry on research or studies concerning the improvement of information systems in support of the purposes of this Act, the adequacy of existing data, ways in which data generated on the State and local level may be incorporated into Federal information systems, and methods by which data may be made more readily available to State and local officials or used to further coordination objectives.

(b) The Director shall publish and maintain on a current basis, a catalog of Federal programs relating to individual and community improvement. He may also make grants, from funds appropriated to carry out title II of this Act, to States and communities to establish information service centers for the collection, correlation, and distribution of information required to further the purposes of this Act.

(c) In order to assure that all appropriate officials are kept fully informed of programs related to this Act, and that maximum use is made of those programs, the Director shall establish procedures to assure prompt distribution to State and local agencies of all current information, including administrative rules, regulations, and guidelines, required by those agencies for the effective performance of their responsibilities.

PROHIBITION

SEC. 636. In order to assure that existing Federal agencies are used to the fullest extent possible in carrying out the purposes of this Act, no funds appropriated to carry out this Act shall be used to establish any new department or office when the intended function is being performed by an existing department or office.

SPECIAL RESPONSIBILITIES: TRAINING PROGRAMS

SEC. 637. (a) It shall be the responsibility of the Director, the Secretary of Labor, the Secretary of Health, Education, and Welfare, and the heads of all other departments and agencies concerned, acting through such procedures or mechanisms as the President may prescribe, to provide for, and take such steps as may be necessary and appropriate to implement, the effective coordination of all programs and activities within the executive branch of the Government relating to the training of individuals for the purpose of improving or restoring employability.

(b) The Secretary of Labor, pursuant to such agreements as may be necessary appropriate (which may include arrangements for reimbursement) shall—

(1) be responsible for assuring that the Federal-State employment maximum support for the programs described in subsection (a); and

(2) obtain from the Secretary of Commerce, the Secretary of Health, Education, and Welfare, the Director of the Office of Economic Opportunity, and the head of any other Federal agency administering a training program, such employment information as will facilitate the placement of individuals being trained.

DEFINITIONS

SEC. 638. As used in this part, "programs related to this Act" and "coordination" shall include the programs and actions described in this section:

(1) "Programs related to this Act" include programs under this Act and all Federal or federally assisted programs which have objectives which are, in whole or substantial part, complementary to the purposes of this Act, or which provide resources which may be used in combination with resources under this Act to assist in achieving any of the purposes of this Act.

(2) "Coordination" includes, but is not limited to—

(A) actions to improve the common effectiveness of programs in reaching and serving the poor, such as actions: to extend services to new areas, provide them in a common place, or structure them so that they are more readily accepted or widely utilized; to eliminate procedures or requirements that may be inappropriate for or result in unnecessary hardship to disadvantaged persons with limited education or other special handicaps; to establish common eligibility standards among programs serving substantially similar groups or operating in the same areas; or to develop methods of operation or administration that will provide new employment incentives or opportunities for the poor;

(B) actions to promote better use at the State or local level of Federal assistance available under diverse programs, such as actions to establish procedures for cooperation among State or local agencies seeking assistance from different Federal sources with a view to eliminating unnecessary duplication and service gaps and promoting common or complementary priorities; or to modify or improve technical or administrative requirements imposed by different Federal agencies that may operate to increase unnecessarily the burdens of State or local agencies, minimize their opportunities for the imaginative use of Federal assistance, or discourage their cooperation with one another;

(C) actions to promote simplification and efficiencies through the joint or combined use of Federal resources, such as actions to develop new methods of processing requests for assistance or granting assistance that will enable Federal agencies more generally to use resources jointly in support of common objectives; to establish common priorities for purposes of program planning, research and demonstration activities; and to effect combinations among or redirect Federal programs or activities for the purpose of eliminating unnecessary duplication;

(D) actions to improve communication and general cooperation, such as actions to strengthen ties among regional offices of different Federal agencies and among such offices and other regional agencies or organizations; to develop and improve procedures by which Federal agencies may act together in promulgating or making available items of information, including information as to the availability and allocation of funds, which are closely related to one another for purposes of State or local planning and budgeting; or to develop procedures by which State and local agencies may be afforded new opportunities to participate in Federal policy decisions, including decisions on recommended legislation, affecting their capacity to operate efficiently and effectively.

TITLE VIII—DOMESTIC VOLUNTEER SERVICE PROGRAM[1]

Volunteers in Service to America

STATEMENT OF PURPOSE

Sec. 801. This title provides for a program of full-time volunteer service, for programs of part-time or short-term community volunteer service, and for special volunteer programs, together with other powers and responsibilities designed to assist in the development and coordination of volunteer programs. Its purpose is to strengthen and supplement efforts to eliminate poverty by encouraging and enabling persons from all walks of life and all age groups, including elderly and retired Americans, to perform meaningful and constructive service as volunteers in part-time or short-term programs in their home or nearby communities, and as full-time volunteers serving in rural areas and urban communities, on Indian reservations, among migrant workers, in Job Corps centers, and in other agencies, institutions, and situations where the application of human talent and dedication may help the poor to overcome the handicaps of poverty and to secure and exploit opportunities for self-advancement.

Part A—Full-Time Volunteer Programs

AUTHORITY TO ESTABLISH FULL-TIME PROGRAMS

Sec. 810. (a) The Director may recruit, select, and train persons to serve in full-time volunteer programs, and upon request of Federal, State, or local agencies, or private nonprofit organizations, may assign such volunteers to work—

(1) in meeting the health, education, welfare, or related needs of Indians living on reservations, of migratory workers and their families, or of residents of the District of Columbia, the Common-

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[1] Former title VII of the Act (Treatment of Income for Certain Public Assistance Purposes) is no longer operative having fully expired pursuant to its terms as of June 30, 1969.

wealth of Puerto Rico, Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands;

(2) in the care and rehabilitation of the mentally ill or mentally retarded under treatment at nonprofit mental health or mental retardation facilities; and

(3) in connection with programs or activities authorized, supported, or of a character eligible for assistance under this Act.

(b) The assignment of volunteers under this section shall be on such terms and conditions (including restrictions on political activities that appropriately recognize the special status of volunteers living among the persons or groups served by programs to which they have been assigned, as the Director may determine, including work assignments in their own or nearby communities; but volunteers under this part shall not be assigned to duties or work in any State without the consent of the Governor. The assignment of such a volunteer in any State shall be terminated by the Director when so requested by the Governor of such State not later than thirty days or at a time thereafter agreed upon by the Governor and Director after such request has been made by the Governor to the Director.

TERMS OF SERVICE

SEC. 811. (a) Volunteers under this part shall be required to make a full-time personal commitment to combating poverty. To the extent practicable, this shall include a commitment to live among and at the economic level of the people served, and to remain available for service without regard to regular working hours, at all times during their term of service, except for authorized periods of leave.

(b) Volunteers under this part shall be enrolled for one-year periods of service, excluding time devoted to training. The Director may, however, allow persons who are unable to make a full one-year commitment to enroll as volunteer associates for periods of service of not less than two months where he determines that this more limited service will effectively promote the purposes of this title.

(c) All volunteers under this part shall take and subscribe to an oath or affirmation in the form prescribed by section 106 of this Act, and the provisions of section 1001 of title 18, United States Code, shall be applicable with respect to that oath or affirmation.

SUPPORT OF FULL-TIME VOLUNTEERS

SEC. 812. (a) The Director may provide a stipend to volunteers under this part while they are in training and on assignment, but the stipend shall not exceed $50 per month during the volunteer's first year of service. He may provide a stipend not to exceed $75 per month in the case of persons who have served for at least one year and who, in accordance with standards prescribed by him, have been designated volunteer leaders on the basis of experience and special skills. The Director may also provide volunteers such living, travel (including travel to and from the place of training), and leave allowances, and such housing, supplies, equipment, subsistence, clothing, health and dental care, or such other support, as he may deem necessary or appropriate for their needs.

(b) Stipends shall be payable only upon completion of a term of service; except that in extraordinary circumstances the Director may from time to time advance accrued stipend, or any portion thereof, to or on behalf of a volunteer. In the event of the death of a volunteer during service, the amount of any unpaid stipend shall be paid in accordance with the provisions of section 5582 of title 5, United States Code.

(c) The Director may provide or arrange for educational and vocational counseling of volunteers and recent volunteers to encourage them to use the skills and experience which they have derived from their training and service in the national interest, and particularly in combating poverty as members of the helping professions.

Part B—Auxiliary and Special Volunteer Programs

COMMUNITY SERVICE PROGRAMS

Sec. 820. (a) The Director shall develop programs designed to expand opportunities for persons to participate in a direct and personal way, on a part-time basis or for shorter periods of service than are required for enrollment under section 810, and in their home or nearby communities, in volunteer activities contributing to the elimination of poverty. Pursuant to appropriate plans, agreements, or arrangements the Director may provide financial, technical, or other assistance needed to carry on projects that are undertaken in connection with these programs. These projects may include, without limitation, activities designed (1) to encourage greater numbers of persons to participate, as volunteers, in local programs and projects assisted under this Act, with particular emphasis upon programs designed to aid youth or promote child development; (2) to encourage persons with needed managerial, professional, or technical skills to contribute those skills to programs for the development or betterment of urban and rural neighborhoods or areas having especially large concentrations or proportions of the poor, with particular emphasis upon helping residents of those neighborhoods or areas to develop the competence necessary to take advantage of public and private resources which would not otherwise be available or used for those programs; and (3) to assist existing national and local agencies relying upon or in need of volunteers to obtain volunteer services more readily, or to provide specialized short-term training, with particular emphasis on agencies serving the most seriously disadvantaged, operating in areas of the most concentrated poverty, or having similar critical needs.

(b) Persons serving as volunteers under this section shall receive no living allowance or stipend and only such other support or allowances as the Director determines, pursuant to regulations, are required because of unusual or special circumstances affecting the project.

(c) The services of any person, if otherwise allowable as a non-Federal contribution toward the cost of any program or project assisted under this or any other Federal Act, shall not be disallowed merely by reason of actions of the Director under this section in providing for or assisting in the recruitment, referral, or preservice training of such person.

SPECIAL VOLUNTEER PROGRAMS

SEC. 821. The Director is authorized to conduct, or provide by grant or contract for, special volunteer programs designed to stimulate and initiate improved methods of providing volunteer services and to encourage wider volunteer participation, in furtherance of the purposes of this title. Not to exceed 10 per centum of the sums appropriated or allocated from any appropriation to carry out this title for any fiscal year may be used for programs under this section.

DEMONSTRATION PROJECTS TO HELP YOUNG ADULT CRIMINAL OFFENDERS

SEC. 822. (a) The Director is authorized to conduct, or to make grants, contracts, or other arrangements for the conduct of demonstration projects in not more than four areas during the fiscal year ending June 30, 1968, and in not more than six areas during each of the two succeeding fiscal years, under which—

(1) volunteers under part A, and members of the Teacher Corps furnished pursuant to this section, provide criminal offenders aged sixteen through twenty-five with intensive education, training, and counseling for at least a six-month period prior to their release from confinement and for at least a six-month period thereafter;

(2) not more than one hundred such volunteers are employed pursuant to this section during the fiscal year ending June 30, 1968, and not more than one hundred and fifty such volunteers are so employed during each of the two succeeding fiscal years;

(3) the Commissioner of Education furnishes, on a reimbursable basis, for the purpose of this section, members of the Teacher Corps who have been recruited and trained by one or more institutions of higher education; and

(4) not more than forty such members are furnished pursuant to this section during the fiscal year ending June 30, 1968, and not more than sixty such members are so furnished during each of the two succeeding fiscal years.

(b) Members of the Teacher Corps enrolled for purposes of this section, who are not experienced teachers, shall be compensated at the rate of $75 per week plus $15 per week for each dependent. Such members who are experienced teachers shall be compensated at a rate to be fixed by the Commissioner of Education. Assignment of members of the Teacher Corps pursuant to this section shall be without regard to the provisions of section 513(c) of the Higher Education Act of 1965.

PART C—GENERAL PROVISIONS

COORDINATION WITH OTHER PROGRAMS

SEC. 831. The Director shall take necessary steps to coordinate volunteer programs authorized under this title with one another, with community action programs, and with other related Federal, State, local, and national programs. These steps shall include, to the extent feasible, actions to promote service by volunteers or former volunteers in the full-time programs authorized under part A in providing necessary support to programs under part B, and actions to encourage persons serving as part-time or short-term volunteers to make commitments under part A as regular or associate full-time volunteers. The Director shall also consult with the heads of other Federal, State, local, and national agencies responsible for programs related to the purpose of this Act with a view to encouraging greater use of volunteer services in those programs and establishing in connection with them systematic procedures for the recruitment, referral, or necessary preservice orientation or training of part-time volunteers serving pursuant to this part.

PARTICIPATION OF OLDER PERSONS

SEC. 832. In carrying out this title, the Director shall take necessary steps, including the development of special projects where appropriate, to encourage the fullest participation of older persons and older persons membership groups as volunteers and participant agencies in the various programs and activities authorized under this title and, because of the high proportion of older persons within the poverty group, shall encourage the development of a variety of volunteer services to older persons, including special projects, to assure that they are served in proportion to their need.

APPLICATION OF FEDERAL LAW

SEC. 833. (a) Except as provided in section 8332 of title 5 of the United States Code, and subsections (b) and (c) of this section, volunteers under this title shall not be deemed Federal employees and shall not be subject to the provisions of laws relating to Federal employment.

(b) Individuals who receive either a living allowance or a stipend under Part A shall, with respect to such services or training, (1) be deemed, for the purposes of subchapter III of chapter 73 of title 5 of the United States Code, persons employed in the executive branch of the Federal Government, and (2) be deemed Federal employees to the same extent as enrollees of the Job Corps under section 116(a) (1), (2), and (3) of this Act, except that for purposes of the computation described in 116(a) (2) (B) the monthly pay of a volunteer shall be deemed to be that received under the entrance salary for GS–7 under section 5332 of title 5, United States Code.

(c)[1] Any period of service of a volunteer under part A of this title shall be credited in connection with subsequent employment in the same manner as a like period of civilian employment by the United States Government—

(1) for the purposes of section 852(a)(1) of the Foreign Service Act of 1946, as amended (22 U.S.C. 1092(a)(1)), and every other Act establishing a retirement system for civilian employees of any United States Government agency; and

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[1] This subsection was added by section 112(b) of the Economic Opportunity Amendments of 1969, Public Law 91–177, December 30, 1969, 83 Stat. 827, 831, 832. Under the provisions of section 112(c) of such Amendments the crediting of VISTA service provided for in this subsection is made effective as to all former volunteers employed by the United States Government on or after the effective date of the amendments.

(2) except as otherwise determined by the President, for the purposes of determining seniority, reduction in force, and layoff rights, leave entitlement, and other rights and privileges based upon length of service under the laws administered by the Civil Service Commission, the Foreign Service Act of 1946, and every other Act establshing or governing terms and conditions of service of civilian employees of the United States Government: *Provided*, That service of a volunteer shall not be credited toward completion of any probationary or trial period or completion of any service requirement for career appointment.

SPECIAL LIMITATIONS

SEC. 834. (a) The Director shall prescribe regulations to assure that service under this title is limited to activities which would not otherwise be performed and which will not result in the displacement of employed workers or impair existing contracts for service.

(b) All support, including transportation provided to volunteers under this title, shall be furnished at the lowest possible cost with the effective operations of volunteer programs.

(c) No agency or organization to which volunteers are assigned hereunder, or which operates or supervises any volunteer program hereunder shall request or receive any compensation for services of volunteers supervised by such agency or organization.

(d) No funds authorized to be appropriated herein shall be directly or indirectly utilized to finance labor or anti-labor organization or related activity.

(e) Persons serving as volunteers under this title shall provide such information concerning their qualifications, including their ability to perform their assigned tasks and their integrity, as the Director shall prescribe and shall be subject to such procedures, for selection and approval as the Director may require. The Director may fix such special procedures for the selection and approval of low-income residents of the area to be served by a program who wish to become volunteers as he determines will contribute to carrying out the purposes of this title.

DURATION OF PROGRAM

SEC. 835. The Director shall carry out the programs provided for in this title during the fiscal year ending June 30, 1967, and the five succeeding fiscal years. For each such fiscal year only such sums may be appropriated as the Congress may authorize by law.

PROVISIONS OF ECONOMIC OPPORTUNITY AMENDMENTS OF 1969 WHICH RELATE TO BUT DO NOT AMEND THE ECONOMIC OPPORTUNITY ACT OF 1964

The following provisions of the Economic Opportunity Amendments of 1969 while relating to the conduct of programs under the Economic Opportunity Act of 1964, do not amend the Act as such and therefore are not included in the foregoing compilation of provisions of the Act, as amended.

AUTHORIZATION OF APPROPRIATIONS

SEC. 102. (a) For the purpose of carrying out the Economic Opportunity Act of 1964, there are hereby authorized to be appropriated $2,195,500,000 for the fiscal year ending June 30, 1970, and $2,295,500,000 for the fiscal year ending June 30, 1971.

(b) Notwithstanding any other provision of law, unless expressly in limitation of the provisions of this section, of the amounts appropriated pursuant to subsection (a) of this section for the fiscal year ending June 30, 1970, and for the next fiscal year, the Director shall for each such fiscal year reserve and make available not less than $328,900,000 for the purpose of local initiative programs authorized under section 221 of the Economic Opportunity Act of 1964 and the remainder of such amounts shall be allocated, subject to the provisions of section 616 of such Act, in such a manner that of such remaining amounts so appropriated for each fiscal year—

(1) $890,300,000 shall be for the purpose of carrying out parts A and B of title I (relating to work and training programs);

(2) $46,000,000 shall be for the purpose of carrying out part D of title I (relating to special impact programs);

(3) $20,000,000 shall be for the purpose of carrying out part E of title I (relating to special work and career development programs);

(4) $811,300,000 shall be for the purpose of carrying out title II, of which $398,000,000 shall be for the Project Headstart program described in section 222(a)(1), $90,000,000 shall be for the Follow Through program described in section 222(a)(2), $58,000,000 shall be for the Legal Services program described in section 222(a)(3), $80,000,000 shall be for the Comprehensive Health Services program described in section 222(a)(4), $62,500,000 shall be for the Emergency Food and Medical Services program described in section 222(a)(5), $15,000,000 shall be for the Family Planning program described in section 222(a)(6), and $8,800,000 shall be for the Senior Opportunities and Services program described in section 222(a)(7);

(5) $12,000,000 shall be for the purpose of carrying out part A of title III (relating to rural loans);

(6) $34,000,000 shall be for the purpose of carrying out part B of title III (relating to assistance for migrant and seasonal farmworkers);

(7) $16,000,000 shall be for the purpose of carrying out title VI (relating to administration and coordination); and

(8) $37,000,000 shall be for the purpose of carrying out title VIII (relating to VISTA).

If the amounts appropriated pursuant to subsection (a) of this section for any fiscal year are not sufficient to allocate the full amounts specified for each of the purposes set forth in clauses (1) through (8) of this subsection, then the amounts specified in each such clause shall be prorated to determine the allocations required for each such purpose.

(c) In addition to the amounts authorized to be appropriated pursuant to subsection (a) of this section, there are further authorized to be appropriated the following:

(1) $14,000,000 for the fiscal year ending June 30, 1971, to be used for the Special Impact programs described in part D of title I;

(2) $34,700,000 for the fiscal year ending June 30, 1971, to be used for the Special Work and Career Development programs described in part E of title I;

(3) $180,000,000 for the fiscal year ending June 30, 1971, to be used for the Project Headstart program described in section 222(a)(1);

(4) $32,000,000 for the fiscal year ending June 30, 1971, to be used for the Legal Services program described in section 222(a)(3);

(5) $80,000,000 for the fiscal year ending June 30, 1971, to be used for the Comprehensive Health Services program described in section 222(a)(4);

(6) $112,500,000 for the fiscal year ending June 30, 1971, to be used for the Emergency Food and Medical Services program described in section 222(a)(5);

(7) $15,000,000 for the fiscal year ending June 30, 1971, to be used for the Family Planning program described in section 222(a)(6);

(8) $3,200,000 for the fiscal year ending June 30, 1971, to be used for the Senior Opportunities and Services program described in section 222(a)(7);

(9) $15,000,000 for the fiscal year ending June 30, 1971, to be used for the program of assistance for migrant and seasonal farmworkers described in part B of title III; and

(10) $50,000,000 for the fiscal year ending June 30, 1971, to be used for Day Care projects described in part B of title V.

USE OF CLOSED JOB CORPS CENTERS FOR SPECIAL YOUTH PROGRAMS

SEC. 113. (a) Notwithstanding any other provision of law, the Director of the Office of Economic Opportunity shall establish procedures and make arrangements which are designed to assure that facilities and equipment at Job Corps centers which are being discontinued will, where feasible, be made available for use by State or Federal agencies and other public or private agencies, institutions, and organizations with satisfactory arrangements for utilizing such facilities and equipment for conducting programs, especially those providing opportunities for low-income disadvantaged youth, including, without limitation—

(1) special remedial programs;

(2) summer youth programs;

(3) exemplary vocational preparation and training programs;

(4) cultural enrichment programs, including music, the arts, and the humanities;

(5) training programs designed to improve the qualifications of educational personnel, including instructors in vocational educational programs; and

(6) youth conservation work and other conservation programs.

(b) To achieve the objectives of this section, the Director of the

Office of Economic Opportunity shall consult with, elicit the cooperation of, and utilize the services of the Administrator of the General Services Administration, and the Secretaries of Agriculture, of the Interior, and of Labor.

AMENDMENT WITH RESPECT TO WITHHOLDING CERTAIN FEDERAL TAXES BY ANTIPOVERTY AGENCIES

SEC. 115. Upon notice from the Secretary of the Treasury or his delegate that any person otherwise entitled to receive a payment made pursuant to a grant, contract, agreement, loan or other assistance made or entered into under the Economic Opportunity Act of 1964 is delinquent in paying or depositing (1) the taxes imposed on such person under chapters 21 and 23 of the Internal Revenue Code of 1954, or (2) the taxes deducted and withheld by such person under chapters 21 and 24 of such Code, the Director of the Office of Economic Opportunity shall suspend such portion of such payment due to such person, which, if possible, is sufficient to satisfy such delinquency, and shall not make or enter into any new grant, contract, agreement, loan or other assistance under such Act with such person until the Secretary of the Treasury or his delegate has notified him that such person is no longer delinquent in paying or depositing such tax or the Director of the Office of Economic Opportunity determines that adequate provision has been made for such payment. In order to effectuate the purpose of this section on a reasonable basis the Secretary of the Treasury and the Director of the Office of Economic Opportunity shall consult on a quarterly basis.

PROVISIONS OF ECONOMIC OPPORTUNITY AMENDMENTS OF 1967 WHICH RELATE TO BUT DO NOT AMEND THE ECONOMIC OPPORTUNITY ACT OF 1964

The following provisions of the Economic Opportunity Amendments of 1967, while relating to the conduct of programs under the Economic Opportunity Act of 1964, do not amend the Act as such and therefore are not included in the foregoing compilation of provisions of the Act, as amended.

TITLE III—CRIMINAL PROVISIONS [*]

SEC. 301. (a) Whoever, being an officer, director, agent, or employee of, or connected in any capacity with, any agency receiving financial assistance under the Economic Opportunity Act of 1964 embezzles, willfully misapplies, steals, or obtains by fraud any of the moneys, funds, assets, or property which are the subject of a grant or contract of assistance pursuant to the Economic Opportunity Act of 1964, shall be fined not more than $10,000 or imprisoned for not more than two years, or both; but if the amount so embezzled, misapplied, stolen, or obtained by fraud does not exceed $100, he shall be fined not more than $1,000 or imprisoned not more than one year, or both.

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[*] Reflected in this compilation are:
Economic Opportunity Act of 1964, Public Law 88–452, 78 Stat. 508, August 20, 1964.
Economic Opportunity Amendments of 1965, Public Law 89–253, 79 Stat. 973, October 9, 1965.
Economic Opportunity Amendments of 1966, Public Law 89–794, 80 Stat. 1451, November 8, 1966.
Economic Opportunity Amendments of 1967, Public Law 90–222, 81 Stat. 672, December 23, 1967.
Economic Opportunity Amendments of 1969, Public Law 91–177, 83 Stat. 827, December 30, 1969.

(b) Whoever, by threat of procuring dismissal of any person from employment or of refusal to employ or refusal to renew a contract of employment in connection with a grant or contract of assistance under the Economic Opportunity Act of 1964 induces any person to give up any money or thing of any value to any person (including such grantee agency), shall be fined not more than $1,000 or imprisoned not more than one year, or both.

National Defense Education Act of 1958

(P.L. 85-864, as amended)

AN ACT To strengthen the national defense and to encourage and assist in the expansion and improvement of educational programs to meet critical national needs; and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act, divided into titles and sections according to the following table of contents, may be cited as the "National Defense Education Act of 1958".

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TITLE I—GENERAL PROVISIONS

FINDINGS AND DECLARATION OF POLICY

SEC. 101. The Congress hereby finds and declares that the security of the Nation requires the fullest development of the mental resources and technical skills of its young men and women. The present emergency demands that additional and more adequate education opportunities be made available. The defense of this Nation depends upon the mastery of modern techniques developed from complex scientific principles. It depends as well upon the discovery and development of new principles, new techniques, and new knowledge.

We must increase our efforts to identify and educate more of the talent of our Nation. This requires programs that will give assurance that no student of ability will be denied an opportunity for higher education because of financial need; will correct as rapidly as possible the existing imbalances in our educational programs.

The Congress reaffirms the principle and declares that the States and local communities have and must retain control over and primary responsibility for public education. The national interest requires, however, that the Federal Government give assistance to education for programs which are important to our defense.

To meet the present educational emergency requires additional effort at all levels of government. It is therefore the purpose of this Act to provide substantial assistance in various forms to individuals, and to States and their subdivisions, in order to insure trained manpower of sufficient quality and quantity to meet the national defense needs of the United States.

FEDERAL CONTROL OF EDUCATION PROHIBITED

SEC. 102. Nothing contained in this Act shall be construed to authorize any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over the curriculum, program of instruction, administration, or personnel of any educational institution or school system.

DEFINITIONS

SEC. 103. As used in this Act—

(a) The term "State" means a State, Puerto Rico, the District of Columbia, the Canal Zone, Guam, American Samoa, the Virgin Islands, and, for the purposes of titles II, III, and V, the Trust Territory of the Pacific Islands, except that as used in sections 302 and 502, such term does not include Puerto Rico, the Canal Zone, Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands.

(b) The term "institution of higher education" means an educational institution in any State which (1) admits as regular students only persons having a certificate of graduation from a school providing secondary education, or the recognized equivalent of such certificate, (2) is legally authorized within such State to provide a program of education beyond secondary education, (3) provides an educational program for which it awards a bachelor's degree or provides not less than a two-year program which is acceptable for full credit toward such a degree, (4) is a public or other nonprofit institution, and (5) is accredited by a nationally recognized accrediting agency or association approved by the Commissioner for this purpose or, if not so accredited, (A) is an institution with respect to which the Commissioner has determined that there is satisfactory assurance, considering the resources available to the institution, the period of time, if any, during which it has operated, the effort it is making to meet accreditation standards, and the purpose for which this determination is being made, that the institution will meet the accreditation standards of such an agency or association within a reasonable time, or (B) is an institution whose credits are accepted on transfer by not less than three institutions which are so accredited, for credit on the same basis as if transferred from an institution so accredited. For purposes of title II, such term includes any school of nursing as defined in subsection (l) of this section; any proprietary institution of higher education (as defined in section 461(b) of the Higher Education Act of 1965) which includes in its agreement under section 204 of such title such terms and conditions as the Commissioner determines to be necessary to insure that the availability of assistance to students at the school under such title has not, and will not, increase the tuition, fees, or other charges to such students; and any school which provides not less than a one-year program of training to prepare students for gainful employment in a recognized occupation and which meets the provisions of clauses (1), (2), (4), and (5). If the Commissioner determines that a particular category of such schools does not meet the requirements of clause (5) (but meets the requirements of clause (4)) because there is no nationally recognized accrediting agency or association qualified to accredit schools in such category, he shall, pending the establishment of such an accrediting agency or association, appoint an advisory committee, composed of persons specially qualified to evaluate training provided by schools in such category, which shall (i) prescribe the standards of content, scope, and quality which must be met in order to qualify schools in such category to participate in the student loan program under title II, and (ii) determine whether particular schools not meeting the requirements of clause (5) meet those standards. For purposes of this subsection, the Commissioner shall publish a list of nationally recognized accrediting agencies or associations which he determines to be reliable authority as to the quality of training offered.

(c) The term "Commissioner" means the Commissioner of Education.

(d) The term "Secretary" means the Secretary of Health, Education, and Welfare.

(e) The term "State educational agency" means the State board of education or other agency or officer primarily responsible for the State supervision of public elementary and secondary schools, or, if there is no such officer or agency, an officer or agency designated by the governor or by State law.

(f) The term "school-age population" means that part of the population which is between the ages of five and seventeen, both inclusive, and such school-age population for the several States shall be determined by the Commissioner on the basis of the population between such ages for the most recent year for which satisfactory data are available from the Department of Commerce.

(g) The term "elementary school" means a school which provides elementary education, as determined under State law or, if such school is not in any State, as determined by the Commissioner.

(h) The term "secondary school" means a school which provides secondary education, as determined under State law or, if such school is not in any State, as determined by the Commissioner, except that it does not include any education provided beyond grade 12. For the purposes of sections 301 through 304, the term "secondary school" may include a public junior college, as determined under State law or, if such school is not in any State, as determined by the Commissioner.

(i) The term "public" as applied to any school or institution includes a school or institution of any agency of the United States, except that no such school or institution shall be eligible to receive any grant, loan, or other payment under this Act.

(j) The term "nonprofit", as applied to a school or institution, means a school or institution owned and operated by one or more nonprofit corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual and, for the purposes of part A of title V, includes a school of any agency of the United States.

(k) The term "local educational agency" means a board of education or other legally constituted local school authority having administrative control and direction of public elementary or secondary schools in a city, county, township, school district, or political subdivision in a State, or any other public institution or agency having administrative control and direction of a public elementary or secondary school.

(l) The term "school of nursing" means a public or other nonprofit collegiate or associate degree of school of nursing.

(m) The term "collegiate school of nursing" means a department, division, or other administrative unit in a college or university which provides primarily or exclusively an accredited program of education in professional nursing and allied subjects leading to the degree of bachelor of arts, bachelor of science, bachelor of nursing, or to an equivalent degree, or to a graduate degree in nursing.

(n) The term "associate degree school of nursing" means a department, division, or other administrative unit in a junior college, community college, college, or university which provides primarily or exclusively an accredited two-year program of education in professional nursing and allied subjects leading to an associate degree in nursing or to an equivalent degree.

(o) The term "accredited" when applied to any program of nurse education means a program accredited by a recognized body or bodies approved for such purpose by the Commissioner of Education.

TITLE II—LOANS TO STUDENTS IN INSTITUTIONS OF HIGHER EDUCATION

APPROPRIATIONS AUTHORIZED

SEC. 201. For the purpose of enabling the Commissioner to stimulate and assist in the establishment at institutions of higher education of funds for the making of low-interest loans to students in need thereof to pursue their courses of study in such institutions, there are hereby authorized to be appropriated $47,500,000 for the fiscal year ending June 30, 1959, $75,000,000 for the fiscal year ending June 30, 1960, $82,500,000 for the fiscal year ending June 30, 1961, $90,000,000 each for the fiscal year ending June 30, 1962, and the next fiscal year, $125,000,000 for the fiscal year ending June 30, 1964, $163,300,000 for the fiscal year ending June 30, 1965, $179,300,000 for the fiscal year ending June 30, 1966, $190,000,000 for the fiscal year ending June 30, 1967, $225,000,000 for the fiscal year ending June 30, 1968, $210,000,000 for the fiscal year ending June 30, 1969, $275,000,000 for the fiscal year ending June 30, 1970, and $300,000,000 for the fiscal year ending June 30, 1971, and there are further authorized to be appropriated such sums for the fiscal year ending June 30, 1970, and each of the next three fiscal years as may be necessary to enable students who have received loans for school years ending prior to July 1, 1971, to continue or complete their education. Sums appropriated under this section for any fiscal year shall be available, in accordance with agreements between the Commissioner and institutions of higher education, for payment of Federal capital contributions which, together with contributions from the institutions, shall be used for establishment and maintenance of student loan funds.

ALLOTMENTS TO STATES

SEC. 202. (a) From the sums appropriated pursuant to section 201 for any fiscal year ending prior to July 1, 1971, the Commissioner shall allot to each State an amount which bears the same ratio to the amount so appropriated as the number of persons enrolled on a full-time basis in institutions of higher education in such State bears to the total number of persons enrolled on a full-time basis in institutions of higher education in all of the States. The number of persons enrolled on a full-time basis in institutions of higher education for purposes of this section shall be determined by the Commissioner for the most recent year for which satisfactory data are available to him.

(b) Sums appropriated pursuant to section 201 for any fiscal year ending after June 30, 1971, shall be allotted among the States in such manner as the Commissioner determines to be necessary to carry out the purpose for which such amounts are appropriated.

PAYMENT OF FEDERAL CAPITAL CONTRIBUTIONS

SEC. 203. The Commissioner shall from time to time set dates by which institutions of higher education in a State must file applications for Federal capital contributions from the allotment of such State. In the event the total requested in such applications, which are made by institutions with which he has agreements under this title and which meet the requirements established in regulations of the Commissioner, exceeds the amount of the allotment of such State available for such purpose, the Federal capital contribution from such allotment to each such institution shall bear the same ratio to the amount requested in its application as the amount of such allotment available for such purpose bears to the total requested in all such applications. In the event the total requested in such applications which are made by institutions in a State is less than the amount of the allotment of such State available for such purpose, the Commissioner may reallot the remaining amount from time to time, on such date or dates as the Commissioner may fix, to other States in proportion to the original allotments to such States under section 202 for such year. The Federal capital contribution to an institution shall be paid to it from time to time in such installments as the Commissioner determines will not result in unnecessary accumulations in the student loan fund established under its agreement under this title. The aggregate amount of Federal capital contributions paid for any fiscal year under this section to proprietary institutions of higher education (as defined in section 461(b) of the Higher Education Act of 1965) may not exceed the amount by which the funds appropriated pursuant to section 201 for such fiscal year exceed $190,000,000.

CONDITIONS OF AGREEMENTS

SEC. 204. An agreement with any institution of higher education for Federal capital contributions by the Commissioner under this title shall—

(1) provide for establishment of a student loan fund by such institution;

(2) provide for deposit in such fund of (A) the Federal capital contributions, (B) an amount, equal to not less than one-ninth of such Federal contributions, contributed by such institution, (C) collections of principal and interest on student loans made from such fund, (D) charges collected pursuant to section 205 (c), and (E) any any other earnings of the fund;

(3) provide that such student loan fund shall be used only for (A) loans to students in accordance with such agreement, (B) capital distributions as provided in this title, (C) routine expenses incurred by the institution in administering the student loan fund, except that the amount withdrawn from such student loan fund for such routine expenses by an institution in any fiscal year may not exceed either (i) one-half of such routine expenses as estimated for that year by the Commissioner with the advice of an advisory committee which the Commissioner is hereby authorized to appoint on an annual or such other basis as he may deem appropriate, or (ii) 1 per centum of the aggregate of the outstanding loans made from that fund as of the close of that year, whichever

is the lesser,[5] and (D) costs of litigation, and other collection costs agreed to by the Commissioner, arising in connection with the collection of any loan from the fund, interest on such loan, or charge assessed with respect to that loan pursuant to section 205(c); and

(4) include such other provisions as may be necessary to protect the financial interest of the United States and promote the purposes of this title and as are agreed to by the Commissioner and the institution.

TERMS OF LOANS

Sec. 205. (a) The total of the loans for any academic year or its equivalent, as determined under regulations of the Commissioner, made by institutions of higher education from loan funds established pursuant to agreements under this title may not exceed $2,500 in the case of any graduate or professional student (as defined in regulations of the Commissioner), and may not exceed $1,000 in the case of any other student. The aggregate of the loans for all years from such funds may not exceed $10,000 in the case of any graduate or professional student (as so defined, and including any loans from such funds made to such person before he became a graduate or professional student), or $5,000 in the case of any other student.

(b) Loans from any such loan fund to any student by any institution of higher education shall be made on such terms and conditions as the institution may determine; subject, however, to such conditions, limitations, and requirements as Commissioner may prescribe (by regulation or in the agreement with the institution) with a view to preventing impairment of the capital of the student loan fund to the maximum extent practicable in the light of the objective of enabling the student to complete his course of study; and except that—

(1) such a loan shall be made only to a student who (A) is in need of the amount of the loan to pursue a course of study at such institution, and (B) is capable, in the opinion of the institution, of maintaining good standing in such course of study, and (C) has been accepted for enrollment as a student in such institution or, in the case of a student already attending such institution, is in good standing there either as an undergraduate, graduate, or professional student, and (D) is carrying at least one-half the normal full-time academic workload as determined by the institution;

(2) such a loan shall be evidenced by a note or other written agreement which provides for repayment of the principal amount, together with interest thereon, in equal installments (or, if the borrower so requests, in graduated periodic installments determined in accordance with such schedules as may be approved by the Commissioner) payable quarterly, bimonthly or monthly (at the option of the institution) over a period beginning nine months after the date on which the borrower ceases to carry, at an insti-

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[5] Effective for fiscal years ending on or after June 30, 1970—

(1) Section 204 of the National Defense Education Act of 1958 is amended by inserting "(a)" after "Sec. 204.", and by striking out in paragraph (3) "(C) routine expenses" and all that follows down through "whichever is the lesser" and inserting in lieu thereof "(C) administrative expenses as provided in subsection (b)".

(2) Section 204 of such Act is amended by adding at the end thereof the following new subsection:

"(b) An institution of higher education that has entered into an agreement with the Commissioner under this section shall be entitled for each fiscal year during which it makes any student loans from a student loan fund established under this title to a payment in lieu of reimbursement for its expenses during such fiscal year in administering its student loan program assisted under this title. Such payment (1) shall be payable from its student loan fund in accordance with regulations of the Commissioner, and (2) (except as provided in section 463(b) of the Higher Education Act of 1965) shall be an amount equal to 3 per centum of the principal amount of loans made from such fund during a fiscal year."

tution of higher education or at a comparable institution outside the States approved for this purpose by the Commissioner, at least one-half the normal full-time academic workload as determined by that institution, and ending ten years and nine months after such date, except that (A) interest shall not accrue on any such loan, and installments need not be paid during any period (i) during which the borrower is carrying, at an institution of higher education or at a comparable institution outside the States approved for this purpose by the Commissioner, at least one-half the normal full-time academic workload as determined by the institution, (ii) not in excess of the three years, during which the borrower is a member of the Armed Forces of the United States, (iii) not in excess of three years during which the borrower is in service as a volunteer under the Peace Corps Act, or (iv) not in excess of three years during which the borrower is in service as a volunteer under Title VIII of the Economic Opportunity Act of 1964: *Provided*, That this clause shall apply to any loan outstanding on the effective date of the Peace Corps Act only with the consent of the then obligee institutions, (B) any such period shall not be included in determining the ten-year period during which the repayment must be completed, (C) such ten-year period may also be extended for good cause determined in accordance with the regulations of the Commissioner, (D) the institution may provide that installments need not be paid during any period or periods, aggregating not in excess of three years, during which the borrower is in less than half-time attendance at an institution of higher education taking courses which are creditable toward a degree, and may also provide that any such period shall not be included in determining the ten-year period during which the repayment must be completed, but interest shall continue to accrue during any such period, (E) the borrower may at his option accelerate repayment of the whole or any part of such loan, and (F) the institution may provide, in accordance with regulations of the Commissioner, that during the repayment period of the loan payments of principal and interest by the borrower with respect to all the outstanding loans made to him from loan funds established pursuant to this title shall be at a rate equal to not less than $15 per month.

(3) not to exceed 50 per centum of any such loan made prior to July 1, 1970 (plus interest) shall be canceled for service as a full-time teacher in a public or other nonprofit elementary or secondary school in a State, in an institution of higher education, or in an elementary or secondary school overseas of the Armed Forces of the United States, at the rate of 10 per centum of the total amount of such loan plus interest thereon for each complete academic year or its equivalent (as determined under regulations of the Commissioner) of such service, except that (A) such rate shall be 15 per centum for each complete academic year or its equivalent (as determined under regulations of the Commissioner) of service as a full-time teacher in a public or other nonprofit elementary or secondary school which is in the school district of a local educational agency which is eligible in such year for assist-

ance pursuant to title II of Public Law 874, Eighty-first Congress, as amended, and which for purposes of this clause and for that year has been determined by the Commissioner, pursuant to regulations and after consultation with the State educational agency of the State in which the school is located, to be a school in which there is a high concentration of students from low-income families, except that (unless all of the schools so determined are schools in which the enrollment of children described in clause (A), (AB), or (C) of section 103(a)(2) of such Public Law (using a low-income factor of $3,000) exceeds 50 per centum of the total enrollment of the school) the Commissioner shall not make such determination with respect to more than 25 per centum of the total of the public and other nonprofit elementary and secondary schools in any one State for any one year, (B) such rate shall be 15 per centum for each complete academic year or its equivalent (as so determined by regulations) of service as a full-time teacher of handicapped children (including mentally retarded, hard of hearing, deaf, speech impaired, visually handicapped, seriously emotionally disturbed or other health impaired children who by reason thereof require special education) in a public or nonprofit elementary or secondary school system, and (C) for the purposes of any cancellation pursuant to clause (A) or (B), an additional 50 per centum of any such loan (plus interest) may be canceled but nothing in this paragraph shall authorize refunding any payment;

(4) such a loan shall bear interest, on the unpaid balance of the loan, at the rate of 3 per centum per annum except that no interest shall accrue before the date on which repayment of the loan is to begin in all cases except where the date on which repayment is to begin is suspended by reason of clause (D) of paragraph (2);

(5) such a loan shall be made without security and without endorsement, except that, if the borrower is a minor and the note or other evidence of obligation executed by him would not, under the applicable law, create a binding obligation, either security or endorsement may be required;

(6) the liability to repay any such loan shall be canceled upon the death of the borrower, or if he becomes permanently and totally disabled as determined in accordance with regulations of the Commissioner;

(7) such a loan by an institution for any year shall be made in such installments as may be provided in regulations of the Commissioner or the agreement with the institution under this title and, upon notice to the Commissioner by the institution that any recipient of a loan is failing to maintain satisfactory standing, any or all further installments of his loan shall be withheld, as may be appropriate; and

(8) no note or other evidence of such a loan may be transferred or assigned by the institution of higher education making the loan except, upon the transfer of the borrower to another institution of higher education participating in the program under this title (or, if not participating, is eligible to do so and is approved by the Commissioner for such purpose), to such institution.

(c) Pursuant to regulations of the Commissioner, an institution may assess a charge with respect to a loan from the loan fund established by the institution pursuant to this title for failure of the borrower to pay all or any part of an installment when it is due and, in the case of a borrower who is entitled to deferment benefits under section 205(b)(2) or cancellation benefits under section 205(b)(3), for any failure to file timely and satisfactory evidence of such entitlement. The amount of any such charge may not exceed—

(1) in the case of a loan which is repayable in monthly installments, $1 for the first month or part of a month by which such installment or evidence is late and $2 for each such month or part of a month thereafter; and

(2) in the case of a loan which has a bimonthly or quarterly repayment interval, $3 and $6, respectively, for each such interval or part thereof by which such installment or evidence is late.

The institution may elect to add the amount of any such charge to the principal amount of the loan as of the first day after the day on which such installment or evidence was due, or to make the amount of the charge payable to the institution not later than the due date of the next installment after receipt by the borrower of notice of the assessment of the charge.

(d) An agreement under this title for payment of Federal capital contributions shall include provisions designed to make loans from the student loan fund established pursuant to such agreement reasonably available (to the extent of the available funds in such fund) to all eligible students in such institution in need thereof.

DISTRIBUTION OF ASSETS FROM STUDENT LOAN FUNDS

SEC. 206. (a) After June 30, 1975, and not later than September 30, 1975, there shall be a capital distribution of the balance of the student loan fund established under this title by each institution of higher education as follows:

(1) The Commissioner shall first be paid an amount which bears the same ratio to the balance in such fund at the close of June 30, 1975, as the total amount of the Federal capital contributions to such fund by the Commissioner under this title bears to the sum of such Federal capital contributions and the institution's capital contributions to such fund.

(2) The remainder of such balance shall be paid to the institution.

(b) After September 30, 1975, each institution with which the Commissioner has made an agreement under this title shall pay to the Commissioner, not less often than quarterly, the same proportionate share of amounts received by the institution after June 30, 1975, in payment of principal or interest on student loans made from the student loan fund established pursuant to such agreement (which amount shall be determined after deduction of any costs of litigation incurred in collection of the principal or interest on loans from the fund and not already reimbursed from the student loan fund or such payments of principal or interest) as was determined for the Commissioner under subsection (a).

(c) Upon a finding by the institution or the Commissioner prior to July 1, 1975, that the liquid assets of a student loan fund established pursuant to an agreement under this title exceed the amount required for loans or otherwise in the foreseeable future, and upon notice to such institution or to the Commissioner, as the case may be, there shall be, subject to such limitations as may be included in regulations of the Commissioner or in such agreement, a capital distribution from such fund. Such capital distribution shall be made as follows:

(1) The Commissioner shall first be paid an amount which bears the same ratio to the total to be distributed as the Federal capital contributions by the Commissioner to the student loan fund prior to such distribution bear to the sum of such Federal capital contributions and the capital contributions to the fund made by the institution.

(2) The remainder of the capital distribution shall be paid to the institution.

LOANS TO INSTITUTIONS

Sec. 207. (a) Upon application by any institution of higher education with which he has made an agreement under this title, the Commissioner may make a loan to such institution for the purpose of helping to finance the institution's capital contributions to a student loan fund established pursuant to such agreement. Any such loan may be made only if such institution shows it is unable to secure such funds from non-Federal sources upon terms and conditions which the Commissioner determines to be reasonable and consistent with the purposes of this title. Loans made to institutions under this section shall bear interest at a rate which the Commissioner determines to be adequate to cover (1) the cost of the funds to the Treasury as determined by the Secretary of the Treasury, taking into consideration the current average yields of outstanding marketable obligations of the United States having maturities comparable to the maturities of loans made by the Commissioner under this section, (2) the cost of administering this section, and (3) probable losses.

(b) There are hereby authorized to be appropriated such sums as may be necessary to carry out the purposes of this section, but not to exceed a total of $25,000,000.

(c) Loans made by the Commissioner under this section shall mature within such period as may be determined by the Commissioner to be appropriate in each case, but not exceeding fifteen years.

PAYMENTS TO COVER REDUCTIONS IN AMOUNTS OF LOAN

Sec. 208. In addition to the payments otherwise authorized to be made pursuant to this title, the Commissioner shall pay to the appropriate institution, at such time or times as he determines, an amount which bears the same ratio to the interest which has been prevented from accruing and the portion of the principal which has been canceled on student loans pursuant to paragraph (3) of section 205(b) (and not previously paid pursuant to this subsection) as the total amount of the institution's capital contributions to such fund under this title bears to the sum of such institution's capital contributions and the Federal capital contributions to such fund.

ADMINISTRATIVE PROVISIONS

SEC. 209. (a) The Commissioner, in addition to the other powers conferred upon him by this title, shall have power to agree to modifications of agreements or loans made under this title and to compromise, waive, or release any right, title, claim, or demand, however arising or acquired under this title.

(b) Financial transactions of the Commissioner pursuant to this title, and vouchers approved by him in connection with such financial transactions, shall be final and conclusive upon all officers of the Government; except that all such transactions shall be subject to audit by the General Accounting Office at such times and in such manner as the Comptroller General may by regulation prescribe.

TITLE III—FINANCIAL ASSISTANCE FOR STRENTHENING INSTRUCTION IN SCIENCE, MATHEMATICS, MODERN FOREIGN LANGUAGES, AND OTHER CRITICAL SUBJECTS

PART A—GRANTS TO STATES

APPROPRIATIONS AUTHORIZED

SEC. 301. There are hereby authorized to be appropriated $70,000,000 for the fiscal year ending June 30, 1959, and for each of the five succeeding fiscal years, $90,000,000 for the fiscal year ending June 30, 1965, and $100,000,000 for the fiscal year ending June 30, 1966, and for the succeeding fiscal year and $110,000,000 for each of the fiscal years ending June 30, 1968, and June 30, 1969, $120,000,000 for the fiscal year ending June 30, 1970, and $130,000,000 for the fiscal year ending June 30, 1971, for (1) making payments to State educational agencies under this title for the acquisition of equipment and for minor remodeling, described in paragraph (1) of section 303(a), and (2) making loans authorized in section 305. There are also authorized to be appropriated $5,000,000 for the fiscal year ending June 30, 1959, and for each of the five succeeding fiscal years, and $10,000,000 for each of the succeeding fiscal years ending prior to July 1, 1971, for making payments to State educational agenices under this part to carry out the programs described in paragraph (5) of section 303(a).

ALLOTMENTS TO STATES

SEC. 302. (a) (1) From the sums appropriated pursuant to the first sentence of section 301 for any fiscal year the Commissioner shall reserve such amount, but not in excess of 3 per centum thereof, as he may determine for allotment as provided in section 1008(A), and such amount, not in excess of 1 per centum thereof, as he may determine for allotment as provided in section 1008(B), and shall reserve 12 per centum for loans authorized in section 305. From the remainder of such sums the Commissioner shall allot to each State an amount which bears the same ratio to the amount of such remainder as the product of—

(A) the school-age population of the State, and

(B) the State's allotment ratio (as determined under paragraph (2)),

bears to the sum of the corresponding products for all the States.

(2) The "allotment ratio" for any State shall be 100 per centum less the product of (A) 50 per centum and (B) the quotient obtained by dividing the income per child of school age for the State by the income per child of school age for the United States, except that the allotment ratio shall in no case be less than 33⅓ per centum or more than 66⅔ per centum. The allotment ratios shall be promulgated by the Commissioner between July 1 and August 31 of each even-numbered year beginning with calendar year 1964, on the basis of the average of the incomes per child of school age for the States and for the United States for the three most recent consecutive years for which satisfactory data are available from the Department of Commerce. Each such promulgation shall be conclusive for each of the two fiscal years in the period July 1 next succeeding such promulgation, except that the ratios promulgated in 1959 shall be conclusive for each of the five fiscal years in the period beginning July 1, 1960, and ending June 30, 1965.

(3) For the purposes of this part—

(A) The term "child of school age" means a member of the population between the ages of five and seventeen, both inclusive.

(B) The term "United States" means the fifty States and the District of Columbia.

(C) The term "income per child of school age" for any State or for the United States means the total personal income for the State and the United States, respectively, divided by the number of children of school age in such State and in the United States, respectively.

(b) From the sums appropriated pursuant to the second sentence of section 301 for any fiscal year the Commissioner shall reserve such amount, but not in excess of 2 per centum thereof, as he may determine for allotment as provided in section 1008. From the remainder of such sums the Commissioner shall allot to each State an amount which bears the same ratio to the amount of such remainder as the school-age population of such State bears to the total of the school-age populations of all of the States. The amount allotted to any State under the preceding sentence for any fiscal year which is less than $50,000 shall be increased to $50,000, the total thereby required being derived by proportionately reducing the amount allotted to each of the remaining States under the preceding sentence, but with such adjustments as may be necessary to prevent the allotment of any of such remaining States from being thereby reduced to less than $50,000.

(c) The amount of any State's allotment under subsection (a) of this section for any fiscal year which the Commissioner determines will not be required for such fiscal year shall be available for reallotment from time to time, on such dates during such year as the Commissioner may fix, to the other States in proportion to the original allotments to such States under subsection (a) of this section, but with such proportionate amount for any such State being reduced to the extent it exceeds the sum the Commissioner estimates such State needs and will be able to use for such year; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount reserved for any fiscal year for making loans under section 305 which the Commissioner determines will not be required for that purpose for such year shall be available for allotment among the States in the manner provided in the preceding sentence for reallotments. Any amount allotted or reallotted to a State under this subsection during a year from funds appropriated pursuant to section 301 shall be deemed part of its allotment under subsection (a) of this section for such year.

STATE PLANS

SEC. 303. (a) Any State which desires to receive payments under this part shall submit to the Commissioner, through its State educational agency, a State plan which meets the requirements of section 1004(a) and—

(1) sets forth a program under which funds paid to the State from its allotment under section 302(a) will be expended solely for projects approved by the State educational agency for (A) acquisition of laboratory and other special equipment (other than supplies consumed in use), including audiovisual materials and equipment, and printed and published materials (other than textbooks), suitable for use in providing education in science, mathematics, history, civics, geography, economics, industrial arts, modern foreign language, English, or reading in public elementary or secondary schools, or both, and of testgrading equipment for such schools and specialized equipment for audiovisual libraries serving such schools, and such equipment may, if there exists a critical need therefor in the judgment of local school authorities, be used when available and suitable in providing education in other subject matter, and (B) minor remodeling of laboratory or other space used for such materials or equipment;

(2) sets forth principles for determining the priority of such projects in the State for assistance under this part and provides for undertaking such projects, insofar as financial resources available therefor make possible, in the order determined by the application of such principles;

(3) provides an opportunity for a hearing before the State educational agency to any applicant for a project under this part;

(4) provides for the establishment of standards on a State level for laboratory and other special equipment acquired with assistance furnished under this part;

(5) sets forth a program under which funds paid to the State from its allotment under section 302(b) will be expended solely for (A) expansion or improvement of supervisory or related services in public elementary and secondary schools in the fields of science, mathematics, history, civics, geography, economics, industrial arts, modern foreign languages, English, and reading, and (B) administration of the State plan; and

(6) sets forth any requirements imposed upon applicants for financial participation in projects assisted under this part, including any provision for taking into account, in such requirements, the resources available to any applicant for such participation

relative to the resources for participation available to all other applicants.

(b) The Commissioner shall approve any State plan and any modification thereof which complies with the provisions of subsection (a).

PAYMENTS TO STATES

SEC. 304. (a) From a State's allotment for a fiscal year under section 302(a), the Commissioner shall, from time to time during the period such allotment is available for payments as provided in paragraph (4) of section 302(a), pay to such State an amount equal to one-half of the expenditures for projects for acquisition of equipment and minor remodeling referred to in paragraph (1) of section 303(a) which are carried out under its State plan approved under section 303(b); except that no State shall receive payments under this subsection for any period in excess of its allotments for such period under section 302(a).

(b) From a State's allotment under section 302(b) for the fiscal year ending June 30, 1959, the Commissioner shall from time to time pay to such State an amount equal to the amount expended by such State for such year to carry out the program referred to in paragraph (5) of section 303(a) under its State plan approved under section 303(b). From a State's allotment under section 302(b) for the fiscal year ending June 30, 1960, and for each of the eleven succeeding fiscal years, such payments shall equal one-half of the amount so expended under its State plan approved under section 303(b); except that no State shall receive payments under this subsection for any fiscal year in excess of its allotment under section 302(b) for that fiscal year.

LOANS TO NONPROFIT PRIVATE SCHOOLS

SEC. 305. From the sum reserved for each fiscal year for the purposes of this section under the provisions of section 302(a), the Commissioner is authorized to make loans to private nonprofit elementary and secondary schools in any State. Any such loan shall be made only for the purposes for which payments to State educational agencies are authorized under the first sentence of section 301, and—

(1) shall be made upon application containing such information as may be deemed necessary by the Commissioner;

(2) shall be subject to such conditions as may be necessary to protect the financial interest of the United States;

(3) shall bear interest at the rate arrived at by adding one-quarter of 1 per centum per annum to the rate which the Secretary of the Treasury determines to be equal to the current average market yield on outstanding marketable obligations of the United States with redemption periods to maturity comparable to the average maturities of such loans as computed at the end of the fiscal year next preceding the date the application for the loan is approved and by adjusting the result so obtained to the nearest one-eighth of 1 per centum; and

(4) shall mature and be repayable on such date as may be agreed to by the Commissioner and the borrower, but such date shall not be more than ten years after the date on which such loan was made.

PART B—GRANTS TO LOCAL EDUCATIONAL AGENCIES

APPROPRIATIONS AUTHORIZED

SEC. 311. There are hereby authorized to be appropriated, for carrying out this part, $84,373,000 for the fiscal year ending June 30, 1969, and $160,000,000 for the fiscal year ending June 30, 1970. For the fiscal year ending June 30, 1971, there may be appropriated to carry out the provisions of this part only such amount as the Congress may hereafter authorize by law.

ALLOTMENTS TO LOCAL EDUCATIONAL AGENCIES

SEC. 312. From the sums appropriated pursuant to section 311 for any fiscal year the Commissioner shall reserve such amount, but not in excess of 3 per centum thereof, as he may determine for allotment as provided in section 1008(A). From the remainder of such sums the Commissioner shall allot to each local educational agency (other than local educational agencies of States which receive their allotments under this part as provided in subsection 1008(A) an amount which bears the same ratio to the amount of such remainder as the amount received by such agency from funds appropriated for the preceding fiscal year for grants under title I of the Elementary and Secondary Education Act of 1965 (title II of Public Law 874, Eighty-first Congress, as amended) bears to the amount received by all local educational agencies from such funds for such year.

APPLICATION OF LOCAL EDUCATIONAL AGENCY

SEC. 313. (a) A local educational agency may receive a grant under this part for any fiscal year only on application therefor approved by the appropriate State educational agency, upon its determination (consistent with such basic criteria as the Commissioner may establish)—

(1) that payments under this part will be used for the acquisition of equipment and materials referred to in section 303(a)(1) to be used in programs and projects designed to meet the special educational needs of educationally deprived children in school attendance areas having a high concentration of children from low-income families;

(2) that, to the extent consistent with the number of educationally deprived children in the school district of the local educational agency who are enrolled in private elementary and secondary schools, such agency has made provision for including special educational services and arrangements (such as dual enrollment, educational radio and television, and mobile educational services and equipment) which will afford such children the benefits of the equipment and materials provided under this part;

(3) that the local educational agency has provided satisfactory assurance that the control of funds provided under this part, and that title to equipment and materials acquired therewith, shall be in a public agency for the uses and purposes provided in this part, and that a public agency will administer such funds and equipment and materials; and

(4) that the local educational agency will make an annual report and such other reports to the State educational agency, in such form and containing such information, as may be reasonably necessary to enable the State educational agency to perform its duties under this part, and will keep such records and afford such access thereto as the State educational agency may find necessary to assure the correctness and verification of such reports.

(b) The State educational agency shall not finally disapprove in whole or in part any application for funds under this part without first affording the local educational agency submitting the application reasonable notice and opportunity for a hearing.

STATE APPLICATION

SEC. 314. (a) Any State desiring to participate under this part shall submit through its State educational agency to the Commissioner an application, in such detail as the Commissioner deems necessary, which provides satisfactory assurance—

(1) that payments under this part will be used only for programs and projects which have been approved by the State educational agency pursuant to section 313, and that such agency will in all other respects comply with the provisions of this part, including the enforcement of any obligations imposed upon a local educational agency under section 313.

(2) that such fiscal control and fund accounting procedures will be adopted as may be necessary to assure proper disbursement of, and accounting for, funds paid to the State (including such funds paid by the State to local educational agencies) under this part; and

(3) that the State educational agency will make to the Commissioner such reports as may be reasonably necessary to enable the Commissioner to perform his duties under this part (including such reports as he may require to determine the amounts which local educational agencies of that State are eligible to receive for any fiscal year), and assurance that such agency will keep such records and afford such access thereto as the Commissioner may find necessary to assure the correctness and verification of such reports.

(b) An application submitted under this section shall be deemed a State plan for the purposes of sections 1004 and 1005.

PAYMENTS

SEC. 315. (a) The Commissioner shall, from time to time pay to each State, in advance or otherwise, the amount which the local educational agencies of that State are eligible to receive under this part. Such payments shall take into account the extent (if any) to which any previous payment to such State educational agency under this part (whether or not in the same fiscal year) was greater or less than the amount which should have been paid to it.

(b) From the funds paid to it pursuant to subsection (a) each State educational agency shall distribute to each local educational agency of the State which has submitted an application approved to pursuant to section 313(a) the amount for which such application has been approved, except that this amount shall not exceed its allotment for the fiscal year under section 312.

TITLE IV—NATIONAL DEFENSE FELLOWSHIPS

APPROPRIATIONS AUTHORIZED

SEC. 401. There are hereby authorized to be appropriated such sums as may be necessary to carry out the provisions of this title.

NUMBER OF FELLOWSHIPS

SEC. 402. (a) During the fiscal year ending June 30, 1965, the Commissioner is authorized to award not to exceed three thousand fellowships to be used for study in graduate programs at institutions of higher education, during the fiscal year ending June 30, 1966, he is authorized to award not to exceed six thousand such fellowships, and during each of the seven succeeding fiscal years, he is authorized to award not to exceed seven thousand five hundred such fellowships. Such fellowships may be awarded for such period of study as the Commissioner may determine, but not in excess of three academic years, except (1) that where a fellowship holder pursues his studies as a regularly enrolled student at the institution during periods outside the regular sessions of the graduate program of the institution, a fellowship may be awarded for a period not in excess of three calendar years, and (2) that the Commissioner may provide by regulation for the granting of such fellowships for a period of study not to exceed one academic year (or one calendar year in the case of fellowships to which clause (1) applies) in addition to the maximum period otherwise applicable, under special circumstances in which the purposes of this title would most effectively be served thereby.

(b) In addition to the number of fellowships authorized to be awarded by subsection (a) of this section, the Commissioner is authorized to award fellowships equal to the number previously awarded during any fiscal year under this section but vacated prior to the end of the period for which they were awarded; except that each fellowship awarded under this subsection shall be for such period of study, not in excess of the remainder of the period for which the fellowship which it replaces was awarded, as the Commissioner may determine.

AWARD OF FELLOWSHIPS AND APPROVAL OF INSTITUTIONS

SEC. 403. (a) Of the total number of fellowships authorized by section 402(a) to be awarded during a fiscal year (1) not less than one thousand five hundred of such fellowships awarded during the fiscal year ending June 30, 1965, and not less than one-third of such fellowships awarded during the eight succeeding fiscal years shall be awarded to individuals accepted for study in graduate programs approved by the Commissioner under this section, and (2) the remainder shall be awarded on such bases as he may determine, subject to the provisions of subsection (c). The Commissioner shall approve a graduate program of an institution of higher education only upon application by the institution and only upon his finding:

(1) that such program is a new program or an existing program which has been expanded,

(2) that such new program or expansion of an existing program will substantially further the objective of increasing the facilities available in the Nation for the graduate training of college or university level teachers and of promoting a wider geographical distribution of such facilities throughout the Nation; and

(3) that the application contains satisfactory assurance that the institution will make reasonable continuing efforts to encourage recipients of fellowships under this title, enrolled in such program, to teach or continue to teach in institutions of higher education.

(b) The total of the fellowships awarded as described in clause (1) of subsection (a) for pursuing a course of study in a graduate program at any institution of higher education may not exceed a limit established by the Commissioner in the light of the objective referred to in subsection (a)(2), and the Commissioner shall give consideration to such objective in determining the number of fellowships awarded under this title for attendance at any one institution of higher education.

(c) Recipients of fellowships under this title shall be persons who are interested in teaching, or continuing to teach, in institutions of higher education and are pursuing, or intend to pursue, a course of study leading to a degree of doctor of philosophy or an equivalent degree.

(d) No fellowship shall be awarded under this title for study at a school or department of divinity. For the purposes of this subsection, the term "school or department of divinity" means an institution, or department or branch of an institution, whose program is specifically for the education of students to prepare them to become ministers of religion or to enter upon some other religious vocation or to prepare them to teach theological subjects.

(e) In order to provide training opportunities in those areas of the Nation which have greater need for increased numbers of highly qualified persons to teach in institutions of higher education, the Commissioner shall seek to achieve an equitable geographical distribution of graduate programs approved under this section throughout the Nation, based upon such factors as student enrollments in institutions of higher education and population.

FELLOWSHIP STIPENDS

SEC. 404. (a) The Commissioner shall pay to persons awarded fellowships under this title such stipends (including such allowances for subsistence and other expenses for such persons and their dependents) as he may determine to be consistent with prevailing practices under comparable federally supported programs.

(b) The Commissioner shall (in addition to the stipends paid to persons under subsection (a)) pay to the institution of higher education at which such person is pursuing his course of study such amounts as the Commissioner may determine to be consistent with prevailing practices under comparable federally supported programs, except that such amount shall not exceed $3,500 per academic year for any such person.

FELLOWSHIP CONDITIONS

SEC. 405. A person awarded a fellowship under the provisions of this title shall continue to receive the payments provided in section 404 only during such periods as the Commissioner finds that he is maintaining satisfactory proficiency in, and devoting essentially full time to, study or research in the field in which such fellowship was awarded, in an institution of higher education, and is not engaging in gainful employment other than part-time employment by such institution in teaching, research, or similar activities, approved by the Commissioner.

TITLE V—GUIDANCE, COUNSELING, AND TESTING; IDENTIFICATION AND ENCOURAGEMENT OF ABLE STUDENTS

PART A—STATE PROGRAMS

APPROPRIATIONS AUTHORIZED

SEC. 501. There are hereby authorized to be appropriated $15,000,000 for the fiscal year ending June 30, 1963, $17,500,000 for the fiscal year ending June 30, 1964, $24,000,000 for the fiscal year ending June 30, 1965, $24,500,000 for the fiscal year ending June 30, 1966, $30,000,000 for each of the two succeeding fiscal years, $25,000,000 for the fiscal year ending June 30, 1969, $40,000,000 for the fiscal year ending June 30, 1970, and $54,000,000 for the fiscal year ending June 30, 1971, for making grants to State educational agencies under this part to assist them to establish and maintain programs of testing and guidance and counseling.

ALLOTMENTS TO STATES

SEC. 502. (a) From the sums appropriated pursuant to section 501 for any fiscal year the Commissioner shall reserve such amount, but not in excess of 3 per centum thereof, as he may determine for allotment, as provided in section 1008(A), and such amount, not in excess of 1 per centum thereof, as he may determine for allotment as provided in section 1008(B). From the remainder of such sums the Commissioner shall allot to each State an amount which bears the same ratio to the amount of such remainder as the school-age population of such State bears to the total of the school-age populations of all of the States. The amount allotted to any State under the preceding sentence for any fiscal year which is less than $50,000 shall be increased to $50,000, the total of increases thereby required being derived by proportionately reducing the amount allotted to each of the remaining States under the preceding sentence, but with such adjustments as may be necessary to prevent the allotment of any such remaining States from being thereby reduced to less than $50,000.

(b) The amount of any State's allotment under subsection (a) for any fiscal year which the Commissioner determines will not be required for such fiscal year for carrying out the State plan (if any) approved under this title shall be available for reallotment from time to time, on such dates during such year as the Commissioner may fix, to other States in proportion to the original allotments to such States under such subsection for such year, but with such proportionate amount for any of such States being reduced to the extent it exceeds the sum the Commissioner estimates such State needs and will be able to use for such year for carrying out the State plan; and the total of such reductions shall be similarly reallotted among the States whose proportionate amounts were not so reduced. Any amount reallotted to a State under this subsection during a year from funds appropriated pursuant to section 501 shall be deemed part of its allotment under subsection (a) for such year.

STATE PLANS

Sec. 503. (a) Any State which desires to receive payments under this part shall submit to the Commissioner, through its State educational agency, a State plan which meets the requirements of section 1004(a) and sets forth—

(1) a program for testing students in the public elementary and secondary schools of such State or in the public junior colleges and technical institutes of such State, and, if authorized by law, in other elementary and secondary schools and in other junior colleges and technical institutes in such State, to identify students with outstanding aptitudes and ability, and the means of testing which will be utilized in carrying out such program; and

(2) a program of guidance and counseling at the appropriate levels in the public elementary and secondary schools or public junior colleges and technical institutes of such State (A) to advise students of courses of study best suited to their ability, aptitudes, and skills, (B) to advise students in their decisions as to the type of educational program they should pursue, the vocation they should train for and enter, and the job opportunities in the various fields, and (C) to encourage students with outstanding aptitudes and ability to complete their secondary school education, take the necessary courses for admission to institutions of higher education, and enter such institutions, and such programs may include, at the discretion of such State agency, short-term training sessions for persons engaged in guidance and counseling in elementary and secondary schools, junior colleges, and technical institutes in such State.

(b) The Commissioner shall approve any State plan and any modification thereof which complies with the provisions of subsection (a).

PAYMENTS TO STATES

Sec. 504. (a) Payment under this part shall be made to those State educational agencies which administer plans approved under section 503. For the fiscal year ending June 30, 1959, such payments shall equal the amount expended by the State in carrying out its State plan, and for the fiscal year ending June 30, 1960, and for each of the succeeding fiscal years, such payments shall equal one-half of the amount so expended, including amounts expended under the State plan for State supervisory or related services in public elementary or secondary schools in the fields of guidance, counseling, and testing, and for administration of the State plan; except that no State educational agency shall receive payment under this part for any fiscal year in excess of that State's allotment for that fiscal year as determined under section 502.

(b) In any State which has a State plan approved under section 503 and in which the State educational agency is not authorized by law to make payments to cover the cost of testing students in any one or more elementary or secondary schools, or junior colleges or technical institutes, in such State to determine student abilities and aptitudes, the Commissioner shall arrange for the testing of such students and shall pay the cost thereof for the fiscal year ending June 30, 1959, and one-half of the cost thereof for any of the succeeding fiscal years out of such State's allotment. Testing of students pursuant to this subsection shall, so far as practicable, be comparable to, and be done at the same grade levels and under the same conditions as in the case of, testing of students in public schools under the State plan.

DEFINITIONS

Sec. 505. For the purposes of this title, the term "junior colleges or technical institutes" means (1) institutions of higher education which are organized and administered principally to provide a two-year program which is acceptable for full credit toward a bachelor's degree, and (2) institutions which meet the requirements of clauses (1), (2), (4), and (5) of section 103(b) and are organized and administered principally to provide a two-year program in engineering, mathematics, or the physical or biological sciences which is designed to prepare the student to work as a technician and at a semiprofessional level in engineering, scientific, or other technological fields which require the understanding and application of basic engineering, scientific, or mathematical principles or knowledge, and, if a branch of an institution of higher education offering four or more years of higher education, is located in a community different from that in which its parent institution is located.

Part B—Counseling and Guidance Training Institutes

AUTHORIZATION

Sec. 511. (a) There are hereby authorized to be appropriated $6,250,000 for the fiscal year ending June 30, 1959, $7,250,000 for the fiscal year ending June 30, 1960, and for each of the eight succeeding fiscal years, to enable the Commissioner to arrange, through grants or contracts, with institutions of higher education for the operation by them of short-term or regular session institutes for advanced study, including study in the use of new materials, to improve the qualifications of individuals who are engaged, or are teachers preparing to engage, in counseling and guidance of students in elementary or in secondary schools or in institutions of higher education, including junior colleges and technical institutes as defined in section 505.

(b) Each individual who attends an institute operated under the provisions of this part shall be eligible (after application therefor) to receive a stipend at the rate of $75 per week for the period of his attendance at such institute, and each such individual with one or more dependents shall receive an additional stipend at the rate of $15 per week for each such dependent.

TITLE VI—LANGUAGE DEVELOPMENT

LANGUAGE AND AREA CENTERS

Sec. 601. (a) The Secretary is authorized to arrange through grants to or contracts with institutions of higher education for the establishment and operation by them, during the period beginning July 1, 1958, and ending with the close of June 30, 1971, of centers for the teaching of any modern foreign language with respect to which the Secretary determines that individuals trained in such language are needed by the Federal Government or by business, industry, or education in the United States. Any such grant or contract may provide for instruction not only in such modern foreign language but also in other fields needed to provide a full understanding of the areas, regions, or countries in which such language is commonly used, to the extent adequate instruction in such fields is not readily available, including fields such as history, political science, linguistics, economics, sociology, geography, and anthropology. Any such grant or contract may cover all or part of the cost of the establishment and operation of the center with respect to which it is made, including the cost of grants to the staff for travel in the foreign areas, regions, or countries with which the subject matter of the field or fields in which they are or will be working is concerned and the cost of travel of foreign scholars to such centers to teach or assist in teaching therein and the cost of their return, and shall be made on such conditions as the Secretary finds necessary to carry out the purposes of this section.

(b) The Secretary is also authorized, during the period beginning July 1, 1958, and ending with the close of June 30, 1971, to pay stipends to individuals undergoing advanced training in any modern foreign language (with respect to which he make the determination under subsection (a)), and other fields needed for a full understanding of the area, region, or country in which such language is commonly used, at any short-term or regular session of any institution of higher education, including allowances for dependents and for travel to and from their places of residence, but only upon reasonable assurance that the recipients of such stipends will, on completion of their training, be available for teaching a modern foreign language in an institution of higher education or for such other service of a public nature as may be permitted in regulations of the Secretary.

RESEARCH AND STUDIES

Sec. 602. The Commissioner is authorized, directly or by contract, to make studies and surveys to determine the need for increased or improved instruction in modern foreign languages and other fields needed to provide a full understanding of the areas, regions, or countries in which such languages are commonly used, to conduct research on more effective methods of teaching such languages and in such other fields, and to develop specialized materials for use in such training, or in training teachers of such languages or in such fields.

APPROPRIATIONS AUTHORIZED

SEC. 603. There are hereby authorized to be appropriated $8,000,000 for the fiscal year ending June 30, 1964, $13,000,000 for the fiscal year ending June 30, 1965, $14,000,000 for the fiscal year ending June 30, 1966 $16,000,000 for the fiscal year ending June 30, 1967, $18,000,000 for the fiscal year ending June 30, 1968, $16,050,000 for the fiscal year ending June 30, 1969, $30,000,000 for the fiscal year ending June 30, 1970, and $38,500,000 for the fiscal year ending June 30, 1971, to carry out the provisions of this title.

TITLE VII—RESEARCH AND EXPERIMENTATION IN MORE EFFECTIVE UTILIZATION OF TELEVISION, RADIO, MOTION PICTURES, AND RELATED MEDIA FOR EDUCATIONAL PURPOSES

PART A—RESEARCH AND EXPERIMENTATION

FUNCTIONS OF THE COMMISSIONER

SEC. 701. In carrying out the provisions of this part the Commissioner, in cooperation with the Advisory Committee on New Educational Media (established by section 761), shall (through grants or contracts) conduct, assist, and foster research and experimentation in the development and evaluation of projects involving television, radio, motion pictures, printed and published materials, and related media of communication which may prove of value to State or local educational agencies in the operation of their public elementary or secondary schools, and to institutions of higher education, including the development of new and more effective techniques and methods—

(1) for utilizing and adapting motion pictures, video tapes and other audiovisual aids, film strips, slides and other visual aids, recordings (including magnetic tapes) and other auditory aids, printed and published materials, and radio or television program scripts for such purposes;

(2) for training teachers to utilize such media with maximum effectiveness; and

(3) for presenting academic subject matter through such media.

GRANTS-IN-AID; CONTRACTS

SEC. 702. In carrying out the provisions of section 701, the Commissioner—

(1) may make grants-in-aid, approved by the Advisory Committee on New Educational Media, to public or nonprofit private agencies, organizations, and individuals for projects of research or experimentation referred to in section 701;

(2) may enter into contracts, approved by the Advisory Committee on New Educational Media, with public or private agencies, organizations, groups, and individuals for projects of research or experimentation referred to in section 701; and

(3) shall promote the coordination of programs conducted or financed by him under this title with similar programs conducted by other agencies, institutions, foundations, organizations, or individuals.

PART B—DISSEMINATION OF INFORMATION ON NEW EDUCATIONAL MEDIA

FUNCTIONS OF THE COMMISSIONER

SEC. 731. In order to disseminate information concerning new educational media (including the results of research and experimentation conducted under part A of this title) to State or local educational agencies, for use in their public elementary or secondary schools, and to institutions of higher education, the Commissioner—

(1) shall make studies and surveys to determine the need for increased or improved utilization of television, radio, motion pictures, printed and published materials, and related media of communication by State or local educational agencies and institutions of higher education for educational purposes;

(2) shall prepare and publish catalogs, reviews, bibliographies, abstracts, analyses of research and experimentation, and such other materials as are generally useful in the encouragement and more effective use of television, radio, motion pictures, printed and published materials, and related media of communication for educational purposes;

(3) may, upon request, provide advice, counsel, technical assistance, and demonstrations to State or local educational agencies and institutions of higher education undertaking to utilize such media of communication to increase the quality or depth or broaden the scope of their educational programs;

(4) shall prepare and publish an annual report setting forth (A) projects carried out under this title and the cost of each such project, and (B) developments in the utilization and adaptation of media of communication for educational purposes; and

(5) may enter into contracts with public or private agencies, organizations, groups, or individuals to carry out the provisions of this part.

PART C—GENERAL PROVISIONS

ESTABLISHMENT OF THE ADVISORY COMMITTEE

SEC. 761. (a) There is hereby established in the Office of Education an Advisory Committee on New Educational Media (hereafter in this title referred to as the "Advisory Committee"). The Advisory Committee shall consist of the Commissioner, who shall be chairman, a representative of the National Science Foundation and twelve persons appointed, without regard to the civil-service laws, by the Commissioner with the approval of the Secretary. Three of such appointed members shall be individuals identified with the sciences, liberal arts, or modern foreign languages in institutions of higher education; three shall be individuals actually engaged in teaching or in the supervision of teaching in elementary or secondary schools; three shall be individuals of demonstrated ability in the utilization or adaptation of television, radio, motion pictures, printed and published materials, and related media of communication for educational purposes; and three shall be individuals representative of the lay public who have demonstrated an interest in the problems of communication media.

(b) The Advisory Committee shall—

(1) advise, consult with, and make recommendations to the Commissioner on matters relating to the utilization or adaptation of television, radio, motion pictures, printed and published materials, or related media of communication for educational purposes, and on matters of basic policy arising in the administration of this title;

(2) review all applications for grants-in-aid under Part A of this title for projects of research or experimentation and certify approval to the Commissioner of any such projects which it believes are appropriate for carrying out the provisions of this title; and

(3) review all proposals by the Commissioner to enter into contracts under this title and certify approval to the Commissioner of any such contracts which it believes are appropriate to carry out the provisions of this title.

(c) The Commissioner may utilize the services of any member or members of the Advisory Committee in connection with matters relating to the provisions of this title, for such periods, in addition to conference periods, as he may determine.

SPECIAL PERSONNEL

Sec. 762. The Commissioner may secure from time to time and for such periods as he deems advisable, without regard to the civil-service laws, the assistance and advice of persons in the United States and from abroad who are experts in the utilization and adaptation of new media and technology for educational purposes.

APPROPRIATIONS AUTHORIZED

Sec. 763. There are hereby authorized to be appropriated the sum of $3,000,000 for the fiscal year ending June 30, 1959, and the sum of $5,000,000 for each of the nine succeeding fiscal years for carrying out the provisions of this title.

TITLE IX—SCIENCE INFORMATION SERVICE

FUNCTIONS OF THE SERVICE

Sec. 901. The National Science Foundation shall establish a Science Information Service. The Foundation, through such Service, shall (1) provide, or arrange for the provision of, indexing, abstracting, translating, and other services leading to a more effective dissemination of scientific information, and (2) undertake programs to develop new or improved methods, including mechanized systems, for making scientific information available.

SCIENCE INFORMATION COUNCIL

SEC. 902. (a) The National Science Foundation shall establish, in the Foundation, a Science Foundation Council (hereinafter in this title referred to as the "Council") consisting of the Librarian of Congress, the director of the National Library of Medicine, the director of the Department of Agriculture library, and the head of the Science Information Service, each of whom shall be ex officio members, and fifteen members appointed by the Director of the National Science Foundation. The Council shall annually elect one of the appointed members to serve as chairman until the next election. Six of the appointed members shall be leaders in the fields of fundamental science, six shall be leaders in the fields of librarianship and scientific documentation, and three shall be outstanding representatives of the lay public who have demonstrated interest in the problems of communication. Each appointed member of such Council shall hold office for a term of four years, except that (1) any member appointed to fill a vacancy occurring prior to the expiration of the term for which his predecessor was appointed shall be appointed only for the remainder of such term, and (2) that of the members first appointed, four shall hold office for a term of three years, four shall hold office for a term of two years, and three shall hold office for a term of one year, as designated by the Director of the National Science Foundation at the time of appointment. No appointed member of the Council shall be eligible for reappointment until a year has elapsed since the end of his preceding term.

(b) It shall be the duty of the Council to advise, to consult with, and to make recommendations to, the head of the Science Information Service. The Council shall meet at least twice each year, and at such other times as the majority thereof deems appropriate.

(c) Persons appointed to the Council shall, while serving on business of the Council, receive compensation at rates fixed by the National Science Foundation, but not to exceed $100 per day, and shall also be entitled to receive an allowance for actual and necessary travel and subsistence expenses while so serving away from their places of residence.

AUTHORITY FOR CERTAIN GRANTS AND CONTRACTS

SEC. 903. In carrying out its functions under this title, the National Science Foundation shall have the same power and authority it has under the National Science Foundation Act of 1950 to carry out its functions under that Act.

APPROPRIATIONS AUTHORIZED

SEC. 904. There are hereby authorized to be appropriated for the fiscal year ending June 30, 1959, and for each succeeding fiscal year, such sums as may be necessary to carry out the provisions of this title.

TITLE X—MISCELLANEOUS PROVISIONS

ADMINISTRATION

SEC. 1001. (c) The Commissioner shall include in his annual report to the Congress a full report of the activities of the Office of Education under this Act, including recommendations for needed revisions in the provisions thereof.

(d) The Secretary shall advise and consult with the heads of departments and agencies of the Federal Government responsible for the administration of scholarship, fellowship, or other educational programs with a view to securing full information concerning all specialized scholarship, fellowship, or other educational programs administered by or under any such department or agency and to developing policies and procedures which will strengthen the educational programs and objectives of the institutions of higher education utilized for such purposes by any such department or agency.

(e) Any agency of the Federal Government shall exercise its functions under any other law in such manner as will assist in carrying out the objectives of this Act. Nothing in this Act shall be construed as superseding or limiting the authority of any such agency under any other law.

(f) (1) No part of any funds appropriated or otherwise made available for expenditure under the authority of this Act shall be used to make payments or loans to any individual (other than a permanent resident of the Trust Territory of the Pacific Islands) unless such individual has taken and subscribed to an oath or affirmation in the following form: "I do solemnly swear (or affirm) that I bear true faith and allegiance to the United States of America and will support and defend the Constitution and laws of the United States against all its enemies, foreign and domestic".

(2) No fellowship or stipend shall be awarded to any individual under the provisions of title IV or of part A of title VI of this Act unless such individual has provided the Commissioner (in the case of applications made on or after October 1, 1962) with a full statement regarding any crimes of which he has ever been convicted (other than crimes committed before attaining sixteen years of age and minor traffic violations for which a fine of $25 or less was imposed) and regarding any criminal charges punishable by confinement of thirty days or more which may be pending against him at the time of his application for such fellowship or stipend.

(3) The provisions of section 1001 of title 18, United States Code, shall be applicable with respect to the oath or affirmation required under paragraph (1) of this subsection and to the statement required under paragraph (2).

(4) (A) When any Communist organization, as defined in paragraph (5) of section 3 of the Subversive Activities Control Act of 1950, is registered or there is in effect a final order of the Subversive Activities Control Board requiring such organization to register, it shall be unlawful for any member of such organization with knowledge or notice that such organization is so registered or that such order has become final (i) to make application for any payment or loan which is to be made from funds part or all of which are appropriated or other-

wise made available for expenditure under the authority of this Act, or (ii) to use or attempt to use any such payment or loan.

(B) Whoever violates subparagraph (A) of this paragraph shall be fined not more than $10,000 or imprisoned not more than five years, or both.

(e) Nothing contained in this Act shall prohibit the Commissioner from refusing or revoking a fellowship award under title IV of this Act, in whole or in part, in the case of any applicant or recipient, if the Commissioner is of the opinion that such award is not in the best interests of the United States.

ADMINISTRATION OF STATE PLANS

SEC. 1004. (a) No State plan submitted under one of the titles of this Act shall be approved by the Commissioner which does not—

(1) provide, in the case of a plan submitted under title III or under title V, or section 1009 of this title, that the State educational agency will be the sole agency for administering the plan;

(2) provide that such commission or agency will make such reports to the Commissioner, in such form and containing such information, as may be reasonably necessary to enable the Commissioner to perform his duties under such title or section and will keep such records and afford such access thereto as the Commissioner may find necessary to assure the correctness and verifications of such reports; and

(3) provide for such fiscal control and fund accounting procedures as may be necessary to assure proper disbursement of and accounting for Federal funds paid to the State under such title or section (including such funds paid by the State to the local educational agencies).

(b) The Commissioner shall not finally disapprove any State plan submitted under this Act, or any modification thereof without first affording the agency administering the plan reasonable notice and opportunity for a hearing.

(c) Whenever the Commissioner, after reasonable notice and opportunity for hearing to the agency administering a State plan approved under one of the titles of this Act, finds that—

(1) the State plan has been so changed that it no longer complies with the provisions of this Act governing its original approval, or

(2) in the administration of the plan there is a failure to comply substantially with any such provision, the Commissioner shall notify such State agency, in the case of a plan submitted under part A or B of title III or under title V or section 1009 of this title, that no further payments will be made to the State under such part or title or section (or, in his discretion, further payments to the State will be limited to programs under or portions of the State plan not affected by such failure), until he is satisfied that there will no longer be any failure to comply. Until he is so satisfied, the Commissioner shall make no further payments to such State under such part or title or section, as the case may be (or shall limit payments to programs under or portions of the State plan not affected by such failure).

JUDICIAL REVIEW

SEC. 1005. (a) If any State is dissatisfied with the Commissioner's final action with respect to the approval of its State plan submitted under this Act, or with respect to his final action under section 1004(c), such State may, within sixty days after notice of such action, file in the United States district court for the district in which the capital of the State is located, a petition to review such action. The petition for review shall (1) contain a concise statement of the facts upon which the appeal is based and (2) designate that part of the Commissioner's decision sought to be reviewed.

(b) Notification of the filing of the petition for review shall be given by the clerk of the court by mailing a copy of the petition to the Commissioner.

(c) No costs or docket fees shall be charged or imposed with respect to any judicial review proceedings, or appeal therefrom, taken under this Act.

(d) Upon receipt of the petition for review the Commissioner shall, within twenty days thereafter, certify and file in the court the record on review, consisting of the complete transcript of the proceedings before the Commissioner. No party to such review shall be required, by rule of court or otherwise, to print the contents of such record filed in the court.

(e) The court after review may dismiss the petition or deny the relief prayed for, or may suspend, modify, or set aside, in whole or in part, the action of the Commissioner, or may compel action unlawfully withheld. The judgment of the court shall be subject to review as provided in section 1291 and 1254 of title 28 of the United States Code.

METHOD OF PAYMENT

SEC. 1006. Payments under this Act to any individual or to any State or Federal agency, institution of higher education, or any other organization, pursuant to a grant, loan, or contract, may be made in installments, and in advance or by way of reimbursements, and, in the case of grants or loans, with necessary adjustments on account of overpayments or underpayments.

ADMINISTRATIVE APPROPRIATIONS AUTHORIZED

SEC. 1007. There are hereby authorized to be appropriated for the fiscal year ending June 30, 1959, and for each fiscal year thereafter, such sums as may be necessary for the cost of administering the provisions of this Act, including the administrative expenses of State commissions.

ALLOTMENTS TO TERRITORIES AND POSSESSIONS

SEC. 1008. The amount reserved by the Commissioner under sections 302, 312, and 502 shall, in accordance therewith, be allotted among—

(A) Puerto Rico, the Canal Zone, Guam, American Samoa, the Virgin Islands, and the Trust Territory of the Pacific Islands according to their respective needs for the type of assistance furnished under the part or title in which the section appears, and

(B) in the case of amounts so reserved under sections 302 and 502, (i) the Secretary of the Interior, according to the need for such assistance in order to effectuate the purposes of such part or title in schools operated for Indian children by the Department of the Interior, and (ii) the Secretary of Defense according to the need for such assistance in order to effectuate the purposes of such part or title in the overseas dependents schools of the Department of Defense. The terms upon which payments for such purpose shall be made to the Secretary of the Interior and the Secretary of Defense shall be determined pursuant to such criteria as the Commissioner determines will best carry out the purposes of this title.

IMPROVEMENT OF STATISTICAL SERVICES OF STATE EDUCATIONAL AGENCIES

SEC. 1009. (a) For the purpose of assisting the States to improve and strengthen the adequacy and reliability of educational statistics provided by State and local reports and records and the methods and techniques for collecting and processing educational data and disseminating information about the condition and progress of education in the States, there are hereby authorized to be appropriated for the fiscal year ending June 30, 1959, and each of the nine succeeding fiscal years, for grants to States under this section, such sums as the Congress may determine.

(b) Grants under this section by the Commissioner shall be equal to one-half of the cost of State educational agency programs to carry out the purposes of this section, including (1) improving the collection, analysis, and reporting of statistical data supplied by local educational units, (2) the development of accounting and reporting manuals to serve as guides for local educational units, (3) the conduct of conferences and training for personnel of local educational units and of periodic reviews and evaluation of the program for records and reports, (4) improving methods for obtaining, from other State agencies within the State, educational data not collected by the State educational agency, or (5) expediting the processing and reporting of statistical data through installation and operation of mechanical equipment. The total of the payments to any State under this section for any fiscal year may not exceed $50,000.

(c) Payments with respect to any program of a State educational agency under this section may be made (1) only to the extent it is a new program or an addition to or expansion of an existing program, and (2) only if the State plan approved under subsection (d) includes such program.

(d) The Commissioner shall approve any State plan for purposes of this section if such plan meets the requirements of section 1004(a) and sets forth the programs proposed to be carried out under the plan and the general policies to be followed in doing so.

TITLE XI—INSTITUTES

Part I—General

AUTHORIZATION OF INSTITUTES

Sec. 1101. There are authorized to be appropriated $32,750,000 for the fiscal year ending June 30, 1965, $50,000,000 for the fiscal year ending June 30, 1966, and for the succeeding fiscal year, and $51,000,000 for the fiscal year ending June 30, 1968, to enable the Commissioner to arrange, through grants or contracts, with institutions of higher education for the operation by them of short-term or regular session institutes for advanced study, including study in the use of new materials, to improve the qualification of individuals—

(1) who are engaged in or preparing to engage in the teaching, or supervising or training of teachers, of history, geography, economics, civics, and industrial arts, modern foreign languages, reading, or English in elementary or secondary schools,

(2) who are engaged in or preparing to engage in the teaching of disadvantaged youth and are, by virtue of their service or future service in elementary or secondary schools enrolling substantial numbers of culturally, economically, socially, and educationally handicapped youth, in need for specialized training; except that no institute may be established under this title for teachers of disadvantaged youth unless such institute will offer a specialized program of instruction designed to assist such teachers in coping with the unique and peculiar problems involved in the teaching of such youth,

(3) who are engaged as, or are preparing to engage as, educational media specialists, or

(4) who are engaged in or preparing to engage in special educational programs for children of limited English-speaking ability.

STIPENDS

Sec. 1102. Each individual who attends an institute operated under the provisions of this part shall be eligible (after application therefor) to receive a stipend at the rate of $75 per week for the period of his attendance at such institute, and each such individual with one or more dependents shall receive an additional stipend at the rate of $15 per week for each such dependent.

Part II—International Affairs

INTERNATIONAL AFFAIRS INSTITUTES FOR SECONDARY SCHOOL TEACHERS

Sec. 1111. There are authorized to be appropriated $3,500,000 for the fiscal year ending June 30, 1967, and $6,000,000 for the fiscal year ending June 30, 1968, to enable the Commissioner to arrange through contracts with institutions of higher education for the establishment and operation of short-term or regular-session institutes for teachers in secondary schools in order to give them a broader understanding of international affairs. Any such arrangement may cover the cost of the establishment and operation of the institute with respect to which it is made including the cost of grants to the staff of travel in the foreign areas, regions, or countries with which the subject matter of the field or fields in which they are or will be working is concerned, and the cost of travel of foreign scholars to enable them to teach or assist in teaching in such institute and the cost of their return, and shall be made on such conditions as the Commissioner finds necessary to carry out the purposes of this section.

STIPENDS

SEC. 1112. The Commissioner is authorized to pay stipends to any individual to study in a program assisted under the provisions of this part upon determining that assisting such individual in such studies will promote the purpose of this part. Stipends under the provisions of this section may include allowances for dependents and for travel to and from the place of residence.

Howard University

AN ACT To incorporate the Howard University in the District of Columbia

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That there be established, and is hereby established, in the District of Columbia, a university for the education of youth in the liberal arts and sciences, under the name, style, and title of "The Howard University."

Enacted Mar. 2, 1867, ch. 162, 89th Cong., 2nd sess., sec. 1, 14 Stat. 438.

SEC. 2. *And be it further enacted*, That Samuel C. Pomeroy, Charles B. Boynton, Oliver O. Howard, Burton C. Cook, Charles H. Howard, James B. Hutchinson, Henry A. Brewster, Benjamin F. Morris, Danforth B. Nichols, William G. Finney, Roswell H. Stevens, E. M. Cushman, Hiram Barbour, E. W. Robinson, W. F. Bascom, J. B. Johnson, and Silas L. Loomis, be, and they are hereby, declared to be a body politic and corporate, with perpetual succession in deed or in law to all intents and purposes whatsoever, by the name, style, and title of "The Howard University," by which name and title they and their successors shall be competent, at law and in equity, to take to themselves and their successors, for the use of said university, any estate whatsoever in any messuage, lands, tenements hereditaments, goods, chattels, moneys, and other effects, by gift, devise, grant, donation, bargain, sale, conveyance, assurance, or will; and the same to grant, bargain, sell, transfer, assign, convey, assure, demise, declare, to use and farm let, and to place out on interest for the use of said university, in such manner as to them, or a majority of them, shall be deemed most beneficial to said institution; and to receive the same, their rents, issues, and profits, income and interest, and to apply the same for the proper use and benefit of said university; and by the same name to sue and be sued, to implead and be imple[a]ded, in any courts of law and equity, in all manner of suits, actions, and proceedings whatsoever, and generally by and in the same name to do and transact all and every the business touching or concerning the premises: *Provided*, That the same do not exceed the value of fifty thousand dollars net annual income, over and above and exclusive of the receipts for the education and support of the students of said university.

Enacted Mar. 2, 1867, ch. 162, 89th Cong., 2nd sess., sec. 2, 14 Stat. 538.

SEC. 3. *And be it further enacted*, That the first meeting of said corporators shall be holden at the time and place at which a majority of the persons herein above named shall assemble for that purpose; and six days' notice shall be given each of said corporators, at which meeting said corporators may enact by-laws not inconsistent with the laws of the United States regulating the government of the corporation.

Enacted Mar. 2, 1867, ch. 162, 89th Cong., 2nd sess., sec. 3, 14 Stat. 539.

SEC. 4. *And be it further enacted*, That the government of the university shall be vested in a board of trustees, of not less than thirteen members, who shall be elected by the corporators at their first meeting. Said board of trustees shall have perpetual succession in deed or in law, and in them shall be vested the power hereinbefore granted to the corporation. They shall adopt a common seal, which they may alter at pleasure, under and by which all deeds, diplomas, and acts of the university shall pass and be authenticated. They shall elect a president, a secretary, and a treasurer. The treasurer shall give such bonds as the board of trustees may direct. The said board shall also appoint the professors and tutors, prescribing the number, and determining the amount of their respective salaries. They shall also appoint such other officers, agents, or employees, as the wants of the university may from time to time demand, in all cases fixing their compensation. All meetings of said board may be called in such manner as the trustees shall prescribe, and nine of them so assembled shall constitute a quorum to do business, and a less number may adjourn from time to time.

Enacted Mar. 2, 1867, ch. 162, 89th Cong., 2nd sess., sec. 4, 14 Stat. 539.

SEC. 5. *And be it further enacted*, That the university shall consist of the following departments, and such others as the board of trustees may establish: First, normal; second, collegiate; third, theological; fourth, law; fifth, medicine; sixth, agriculture.

Enacted Mar. 2, 1867, ch. 162, 89th Cong., 2nd sess., sec. 5, 14 Stat. 539.

SEC. 6. *And be it further enacted*, That the immediate government of the several departments, subject to the control of the trustees, shall be intrusted to their respective faculties, but the trustees shall regulate the course of instruction, prescribe, with the advice of the professors, the necessary text-books, confer such degrees, and grant such diplomas as are usually conferred and granted in other universities.

Enacted Mar. 2, 1867, ch. 162, 89th Cong., 2nd sess., sec. 6, 14 Stat. 539.

SEC. 7. *And be it further enacted*, That the board of trustees shall have power to remove any professor or tutor or other officers connected with the institution, when, in their judgment, the interest of the university shall require it.

Enacted Mar. 2, 1867, ch. 162, 89th Cong., 2nd sess., sec. 7, 14 Stat. 539.

Sec. 8. *And be it further enacted*, That annual appropriations are authorized to aid in the construction, development, improvement, and maintenance of the university, no part of which shall be used for religious instruction. The university shall at all times be open to inspection by the Bureau of Education [7] and shall be inspected by the said Bureau at least once each year.

(20 U.S.C. 123) Enacted Mar. 2, 1867, ch. 162, 39th Cong., 2nd sess., sec. 8, 14 Stat. 439; amended Dec. 13, 1928, P.L. 634, 70th Cong., 45 Stat. 1021; amended Aug. 7, 1946, P.L. 615, 79th Cong., sec. 1(60), 60 Stat. 871.

Sec. 9. *And be it further enacted*, That no misnomer of the said corporation shall defeat or annul any donation, gift, grant, device, or bequest to or from the said corporation.

Enacted Mar. 2, 1867, ch. 162, 39th Cong., 2nd sess., sec. 10, 14 Stat. 539.

Sec. 10. *And be it further enacted*, That the said corporation shall not employ its funds or income, or any part thereof in banking operations or for any purpose or object other than those expressed in the first section of this act; and that nothing in this act contained shall be so construed as to prevent Congress from altering, amending, or repealing the same.

Enacted Mar. 2, 1867, ch. 162, 39th Cong., 2nd sess., sec. 9, 14 Stat. 539.

AN ACT Making appropriations for sundry civil expenses of the Government for the fiscal year ending June thirtieth, eighteen hundred and ninety-nine, and for other purposes.

* * * * * * *

The president and directors of Howard University shall report to the Secretary of the Interior [8] the condition of the institution on the first of July of each year, embracing therein the number of pupils received and discharged or leaving the same for any cause during the preceding year, and the number remaining; also, the branches of knowledge and industry taught and the progress made therein together with a statement showing the receipts of the institution and from what sources, and its disbursements, and for what objects.[9]

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(20 U.S.C. 121) Enacted July 1, 1898, ch. 546, 55th Cong., 1st sess., 30 State. 624.

AN ACT Making appropriations for sundry civil expenses of the Government for the fiscal year ending June thirtieth, nineteen hundred, and for other purposes.

* * * * * * *

. . . *Provided*, That no part of the appropriations made by Congress for the Howard University shall be used, directly or indirectly, for the support of the theological department of said university, nor for the support of any sectarian, denominational, or religious instruction therein: *Provided further*, That no part thereof shall be paid to said university until it shall accord to the Secretary of the Interior,[10] or to his designated agent or agents, authority to visit and inspect such university and to control and supervise the expenditure therein of all moneys paid under said appropriations.[11]

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[7] Designation of Office of Education as "Bureau of Education" first made in Appropriation Act of July 12, 1870, ch. 251, 16 Stat. 242, and retained until Act of May 14, 1930, P.L. 217, 71st Cong., 46 Stat. 281, 319, which made appropriations for the "Office of Education." Since that time, all appropriations have been made to the "Office of Education."

[8] Office of Education transferred to Federal Security Agency on July 1, 1939 (1939 Reorg. Plan No. 1, sec. 201, 204, 4 F.R. 2728, 53 Stat. 1424) and to Department of Health, Education, and Welfare on Apr. 11, 1953 (1953 Reorg. Plan No. 1, sec. 5, 8, 18 F.R. 2053, 67 Stat. 631).

[9] Requirements that Howard University report to, and be open to inspection to, the Office of Education reaffirmed on June 30, 1940 in 1940 Reorg. Plan No. 1, sec. 11(c), 5 F.R. 2422, 54 Stat. 1237.

(20 U.S.C. 122) Enacted Mar. 3, 1899, ch. 424,

Reorganization Plan No. IV

Prepared by the President and transmitted to the Senate and the House of Representatives in Congress assembled, April 11, 1940, pursuant to the provisions of the Reorganization Act of 1939, approved April 3, 1939

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FEDERAL SECURITY AGENCY

SEC. 11. *Transfer of certain Interior Department institutions.*—

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(*b*) *Freedmen's Hospital.*[3]—Freedmen's Hospital in the Department of the Interior and its functions are transferred to the Federal Security Agency and shall be administered under the direction and supervision of the Federal Security Administrator.

(*c*) *Howard University.*—The functions of the Department of the Interior relating to the administration of Howard University are transferred to the Federal Security Agency and shall be administered under the direction and supervision of the Federal Security Administrator. The annual report required to be furnished to the Secretary of the Interior by the president and directors of the University shall be furnished to the Federal Security Administrator. The Office of Education shall continue to make its inspections of and reports on the affairs of Howard University in accordance with the provisions of existing law.

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GENERAL PROVISIONS

SEC. 13. *Transfer of functions of heads of departments.*—Except as otherwise provided in this Plan, the functions of the head of any department relating to the administration of any agency or function transferred from his department by this Plan, are transferred to, and shall be exercised by, the head of the department or agency to which such transferred agency or function is transferred by this Plan.

SEC. 14. *Transfer of records, property, and personnel.*—Except as otherwise provided in this Plan, all records and property (including office equipment) of the several agencies, and all records and property used primarily in the administration of any functions, transferred by this Plan, and all personnel used in the administration of such agencies and functions (including officers whose chief duties relate to such administration and whose offices are not abolished) are transferred to the respective agencies concerned, for use in the administration of the agencies and functions transferred by this Plan: *Pro-*

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[10] Office of Education transferred to Federal Security Agency on July 1, 1939 (1939 Reorg. Plan No. 1, sec. 201, 204, 4 F.R. 2728, 53 Stat. 1424) and to Department of Health, Education, and Welfare on Apr. 11, 1953 (1953 Reorg. Plan No. 1, sec. 5, 8, 18 F.R. 2053, 67 Stat. 631).

[11] Requirements that Howard University report to, and be open to inspection to, the Office of Education reaffirmed on June 30, 1940 in 1940 Reorg. Plan No. 1, sec. 11(c), 5 F.R. 2422, 54 Stat. 1237.

[3] Made a part of Howard University on Sept. 21, 1961 by P.L. 87–262, reprinted on page 638.

vided, That any personnel transferred to any agency by this section found by the head of such agency to be in excess of the personnel necessary for the administration of the functions transferred to his agency shall be retransferred under existing law to other positions in the Government service, or separated from the service subject to the provisions of section 10(a) of the Reorganization Act of 1939.

SEC. 15. *Transfer of funds.*—So much of the unexpended balances of appropriations, allocations, or other funds available for the use of any agency in the exercise of any function transferred by this Plan, or for the use of the head of any agency in the exercise of any function so transferred, as the Director of the Bureau of the Budget with the approval of the President shall determine, shall be transferred to the agency concerned for use in connection with the exercise of the function so transferred. In determining the amount to be transferred the Director of the Bureau of the Budget may include an amount to provide for the liquidation of obligations incurred against such appropriations, allocations, or other funds prior to the transfer: *Provided*, That the use of the unexpended balances of appropriations, allocations, or other funds transferred by this section shall be subject to the provisions of section 4(d)(3) and section 9 of the Reorganization Act of 1939.

(Effective June 30, 1939) 5 F.R. 2421, 2422; 54 Stat. 1234, 1236–1238.

Freedmen's Teaching Hospital, Howard University

AN ACT To establish a teaching hospital for Howard University, to transfer Freedmen's Hospital to the University, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,

TRANSFER OF FREEDMEN'S HOSPITAL

SECTION 1. (a) For the purpose of assisting in the provision of teaching hospital resources for Howard University, thereby assisting the university in the training of medical and allied personnel and in providing hospital services for the community, the Secretary of Health, Education, and Welfare shall, pursuant to agreement with the board of trustees of Howard University, transfer to Howard University, without reimbursement, all right, title, and interest of the United States in certain lands in the District of Columbia, together with the buildings and improvements thereon and the personal property used in connection therewith (as determined by the Secretary), commonly known as Freedmen's Hospital.

(b) It is the intent of Congress (1) that the transfer of Freedmen's Hospital to Howard University be effected as soon as practicable, (2) to assure the well-being of patients at Freedmen's Hospital during the period of transition, and (3) that the transfer be effected with minimum dislocation of the present hospital staff and maximum consideration of their interests as employees.

(c) The Secretary of Health, Education, and Welfare shall report to the Congress the terms of the agreement for such transfer.

(20 U.S.C. 124) Enacted Sept. 21, 1961, P.L. 87-262, sec. 1, 75 Stat. 542.

PROVISION FOR EMPLOYEES OF HOSPITAL

SEC. 2. (a) The agreement for transfer of Freedmen's Hospital referred to in section 1 shall include provisions to assure that—

(1) all individuals who are career or career-conditional employees of the hospital on the day preceding the effective date of the transfer of the hospital, except those in positions with respect to which they have been notified not less than six months prior to the effective date of such transfer that their positions are to be abolished, will be offered an opportunity to transfer to Howard University;

(2) Howard University—

(A) will not reduce the salary levels for such employees who transfer,

(B) will deposit currently (i) in the civil service retirement and disability fund created by the Act of May 22, 1920, the employee deductions and agency contributions required by the Civil Service Retirement Act, and (ii) in the fund created by section 5(c) of the Federal Employees' Group Life Insurance Act of 1954 the employee deductions and agency contributions required by the Federal Employees' Group Life Insurance Act of 1954,

(C) will provide other benefits for such employees as nearly equivalent as may be practicable to those generally applicable, on the effective date of the transfer of the hospital, to civilian employees of the United States, and

(D) in determining the seniority rights of its employees, Howard University will credit service with Freedmen's Hospital performed by such employees who transfer, on the same basis as it would credit such service had it been performed for such University;

(3) the transfer will become effective not later than the beginning of the second month which begins after construction of the new hospital facilities authorized by section 3 is commenced.

(b) The Department of Health, Education, and Welfare shall make every reasonable effort to place in other comparable Federal positions all individuals who are career or career-conditional employees of Freedmen's Hospital on the date of enactment of this Act and who do not transfer to Howard University.

(c) Each individual who is an employee of Freedmen's Hospital on the date of enactment of this Act and who transfers to Howard University shall, so long as he is continuously in the employ of Howard University, be regarded as continuing in the employ of the United States for the purposes of the Civil Service Retirement Act, the Federal Employees' Group Life Insurance Act of 1954. For purposes of section 3121(b) of the Internal Revenue Code of 1954 and section 210 of the Social Security Act, service performed by such individual during the period of his employment at Howard University shall be regarded as though performed in the employ of the United States.

(20 U.S.C. 125) Enacted Sept. 21, 1961, P.L. 87-262, sec. 2, 75 Stat. 542.

AUTHORIZATION OF CONSTRUCTION OF HOSPITAL FACILITIES

SEC. 3. For the purpose specified in section 1, there are hereby authorized to be appropriated such sums as may be necessary for the construction of a building or buildings and facilities, including equipment, and for remodeling of existing buildings (including repair and replacement of equipment) which are to be combined with the building or buildings and facilities so constructed, to provide a hospital with a capacity of not to exceed five hundred beds.

(20 U.S.C. 126) Enacted Sept. 21, 1961, P.L 87-262, sec 3, 75 Stat. 543.

CONTINUED OPERATION OF FACILITIES

SEC. 4. If, within twenty years after the completion of construction (as determined by the Secretary of Health, Education, and Welfare) of the new hospital facilities authorized by section 3, any of such facilities, or of the facilities transferred pursuant to section 1 and combined with such new facilities, are transferred by Howard University to any other person or entity (except a transfer to the United States) or cease to be operated by the university as teaching hospital facilities, the United States shall be entitled to recover from the transferee or the university, in the case of a transfer, or from the university, if there is no transfer, an amount equal to the then value of such facilities (or so much thereof as is involved in the transfer, as the case may be), such value to be determined by agreement of the parties or by action brought in the United States District Court for the District of Columbia.

(20 U.S.C. 127) Enacted Sept. 21, 1961, P.L. 87-262, sec. 4, 75 Stat. 543.

AUTHORIZATION OF APPROPRIATIONS FOR OPERATION

SEC. 5. In order to facilitate operation of teaching hospital facilities at Howard University, there are authorized to be appropriated annually to the university such sums as the Congress may determine, for the partial support of the operation of such facilities giving consideration to the cost imposed by the provisions of section 2 and the portion of the agreement under this Act relating to such provisions. The cost of operating such facilities, the appropriations pursuant to this section, and any other income derived from such operation or available for such purpose shall be identified and accounted for separately in the accounts of the university.

(20 U.S.C. 128) Enacted Sept. 21, 1961, P.L. 87-262, sec. 5, 75 Stat. 543.

FINANCIAL POLICY

SEC. 6. It is hereby declared to be the policy of the Congress that, to the extent consistent with good medical teaching practice, the Howard University Hospital facilities shall become progressively more self-supporting. In order to further this policy, the President shall submit to the Congress a report, based on a study of the financing of the operation of the hospital, containing his recommendations on the rate at which, consistent with the above policy, Federal financial participation in such cost of operation shall be reduced. Such report shall be submitted not later than the end of the second calendar year following the year in which the construction of the new hospital facilities, authorized by section 3, is completed.

(20 U.S.C. 129) Enacted Sept. 21, 1961, P.L. 87-262, Sec. 6, 75 Stat. 544.

REPEAL OF LAWS

Sec. 7. All laws heretofore applicable specifically to Freedmen's Hospital are, to the extent of such applicability, repealed, effective with the transfer of Freedmen's Hospital pursuant to section 1.

(20 U.S.C. 125 note) Enacted Sept. 21 1962, P.L. 87-262, Sec. 7, 75 Stat. 544.

TRANSFER OF FUNDS

Sec. 8. All unexpended balances of appropriations, allocations, and other funds, available or to be made available, of Freedmen's Hospital are, effective with the transfer of Freedmen's Hospital pursuant to section 1, transferred to Howard University for use in the operation of the Howard University Hospital facilities, except to the extent (determined by the Director of the Bureau of the Budget) required to meet obligations already incurred and not assumed by the university.

(20 U.S.C. 125 note) Enacted Sept. 21, 1962, P.L. 87-262, Sec. 8, 75 Stat. 544.

TITLE VII—HEALTH RESEARCH AND TEACHING FACILITIES AND TRAINING OF PROFESSIONAL HEALTH PERSONNEL

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Part B—Grants for Construction of Teaching Facilities for Medical, Dental, and Other Health Personnel

AUTHORIZATION OF APPROPRIATIONS

Sec. 720. There are hereby authorized to be appropriated $480,000,000 for the three fiscal years in the period beginning July 1, 1966, and ending June 30, 1969, of which not more than $160,000,000 may be available for grants before July 1, 1967, and not more than $320,000,000 may be available for grants before July 1, 1968, for—

(1) grants to assist in the construction of new teaching facilities for the training of physicians, pharmacists, optometrists, podiatrists, veterinarians, or professional public health personnel;

(2) grants to assist in the construction of new teaching facilities for the training of dentists; and

(3) grants to assist in the replacement or rehabilitation of existing teaching facilities for the training of physicians, pharmacists, optometrists, podiatrists, veterinarians, professional public health personnel, or dentists. For such grants there are also

authorized to be appropriated $170,000,000 for the fiscal year ending June 30, 1970, and $225,000,000 for the next fiscal year. Sums so appropriated for any fiscal year shall remain available for obligation through the close of the next fiscal year.

APPROVAL OF APPLICATIONS

SEC. 721. (a) The Surgeon General may from time to time set dates (not earlier than in the fiscal year preceding the year for which a grant is sought) by which applications for grants under this part for any fiscal year must be filed.

(b)(1) To be eligible to apply for a grant to assist in the construction of any facility under this part, the applicant must be (A) a public or other nonprofit school of medicine, dentistry, osteopathy, pharmacy, optometry, podiatry, veterinary medicine, or public health and (B) accredited by a recognized body or bodies approved for such purpose by the Commissioner of Education, except that a new school which (by reason of no, or an insufficient, period of operation) is not, at the time of application for a grant to construct a facility under this part, eligible for accreditation by such a recognized body or bodies, shall be deemed accredited for purposes of this part if the Commissioner of Education finds, after consultation with the appropriate accreditation body or bodies, that there is reasonable assurance that the school will meet the accreditation standards of such body or bodies: (i) prior to the beginning of the academic year following the normal graduation date of the first entering class in such school or (ii) if later, upon completion of the project for which assistance is requested and other projects (if any) under construction or planned and to be commenced within a reasonable time.

(2) Notwithstanding paragraph (1), in the case of an affiliated hospital, an application which is approved by the school of medicine or school of osteopathy with which the hospital is affiliated and which otherwise complies with the requirements of this part may be filed by any public or other nonprofit agency qualified to file an application under section 625.

(3) In the case of any application, whether filed by a school, or in the case of an affiliated hospital, by any other public or other nonprofit agency, for a grant under this part to assist in the construction of a facility which is a hospital as defined in section 631—

(A) if the facility is needed in connection with a new school, only that portion of the project to construct the facility which the Surgeon General determines to be reasonably attributable to the need of such school for the facility for teaching purposes,

(B) if the construction is in connection with expansion of the training capacity of an existing school, only that portion of the project to construct the facility which the Surgeon General determines to be reasonably attributable to the need of such school for the facility in order to expand its training capacity,

(C) if the construction is in connection with renovation or rehabilitation of facilities used by an existing school, only that portion of the project which the Surgeon General determines to be reasonably attributable to the need of such school for the facilities in order to prevent curtailment of enrollment or quality of training of the school,

shall be regarded as the project with respect to which payments may be made under section 722.

(c) A grant under this part may be made only if the application therefor is approved by the Surgeon General upon his determination that—

(1) the applicant meets the eligibility conditions set forth in subsection (b):

(2) the application contains or is supported by reasonable assurances that (A) the facility is intended to be used for the purposes for which the application has been made, (B) sufficient funds will be available to meet the non-Federal share of the cost of constructing the facility, (C) sufficient funds will be available, when construction is completed, for effective use of the facility for the training for which it is being constructed, and (D) in the case of an application for construction to expand the training capacity of an existing school of medicine, dentistry, osteopathy, pharmacy, optometry, podiatry, veterinary medicine, or public health, the first-year enrollment at such school during the first full school year after the completion of the construction and for each of the next nine school years thereafter will exceed the highest first-year enrollment at such school for any of the five full school years preceding the year in which the application is made by at least 5 per centum of such highest first-year enrollment, or by five students, whichever is greater, and the requirements of this clause (D) shall be in addition to the requirements of section 771(b) of this Act, where applicable;

(3) (A) in the case of an application for a grant from funds appropriated pursuant to clause (1) of section 720, such application is for aid in the construction of a new school of medicine, osteopathy, pharmacy, optometry, podiatry, veterinary medicine, or public health, or construction which will expand the training capacity of an existing school of medicine, osteopathy, pharmacy, optometry, podiatry, veterinary medicine, or public health, (B) in the case of an application for a grant from funds appropriated pursuant to clause (2) of such section, such application is for aid in the construction of a new school of dentistry or construction which will expand the capacity of an existing school of dentistry, or (C) in the case of an application for a grant from funds appropriated pursuant to clause (3) of such section, such application is for aid in construction which will replace or rehabilitate facilities of, or used by, an existing school of medicine, dentistry, pharmacy, optometry, podiatry, veterinary medicine, osteopathy, or public health which are so obsolete as to require the school to curtail substantially either its enrollment or the quality of the training provided (and, for purposes of this part, expansion or curtailment of capacity for continuing education shall also be

considered expansion and curtailment, respectively, of training capacity);

(4) the plans and specifications are in accordance with regulations relating to minimum standards of construction and equipment;

(5) the application contains or is supported by adequate assurance that any laborer or mechanic employed by any contractor or subcontractors in the performance of work on the construction of the facility will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a–276a5). The Secretary of Labor shall have, with respect to the labor standards specified in this paragraph, the authority and functions set forth in Reorganization Plan Numbered 14 of the Act of June 13, 1934, as amended (40 U.S.C. 276c); and

(6) if the application requests aid in construction of a facility which is a hospital or diagnostic or treatment center, as defined in section 631, an application with respect thereto has been filed under title VI and has been denied thereunder because (A) the project has no or insufficient priority, or (B) funds are not available for the project from the State's allotments under title VI.

Before approving or disapproving an application under this part, the Surgeon General shall secure the advice of the National Advisory Council on Education for Health Professions established by section 725 (hereinafter in this part referred to as the "Council").

(d) In considering applications for grants, the Council and the Surgeon General shall take into account—

(1) (A) in the case of a project for a new school or for expansion of the facilities of, or used by, an existing school (other than a project for facilities for continuing education), the relative effectiveness of the proposed facilities in expanding the capacity for the training of first-year students of medicine, dentistry, pharmacy, optometry, podiatry, veterinary medicine, or osteopathy (or, in the case of a two-year school which is expanding to a four-year school, expanding the capacity for four-year training of students in the field), or for the training of professional public health personnel, and in promoting an equitable geographical distribution of opportunities for such training (giving due consideration to population, available physicians, pharmacists, optometrists, podiatrists, veterinarians, dentists, or professional public health personnel, and available resources in various areas of the Nation for training such persons); or

(B) in the case of a project for replacement or rehabilitation of existing facilities of, or used by, a school (other than a project for facilities for continuing education), the relative need for such replacement or rehabilitation to prevent curtailment of the school's enrollment or deterioration of the quality of the training provided by the school, and the relative size of any such curtailment and its effect on the geographical distribution of opportunities for training (giving consideration to the factors mentioned above in paragraph (A)); and

(2) in the case of an applicant in a State which has in existence a State planning agency, or which participates in a regional or other interstate planning agency, described in section 728, the relationship of the application to the construction or training program which is being developed by such agency with respect to such State and, if such agency has reviewed such application, any comment thereon submitted by such agency.

AMOUNT OF GRANT PAYMENTS

SEC. 722. (a)(1) Except as provided in paragraph (2) of this subsection, the amount of any grant under this part shall be such amount as the Surgeon General determines to be appropriate after obtaining the advice of the Council; except that (A) in the case of a grant for a project for a new school, and in the case of a grant for new facilities for an existing school in cases where such facilities are of particular importance in providing a major expansion of training capacity, as determined in accordance with regulations, such amount may not exceed 66⅔ per centum of the necessary cost of construction, as determined by the Surgeon General, of such project; and (B) in the case of any other grant, such amount may not, except where the Secretary determines that unusual circumstances make a larger percentage (which in no case may exceed 66⅔ per centum) necessary in order to effectuate the purposes of this part, exceed 50 per centum of the necessary cost of construction, as so determined, of the project with respect to which the grant is made.

(2) The amount of any grant under this part for construction of a project with respect to a school of public health shall be such amount as the Surgeon General determines to be appropriate after obtaining the advice of the Council, and many not exceed 75 per centum of the necessary cost of construction, as determined by the Surgeon General, of such project.

(b) Upon approval of any application for a grant under this part, the Surgeon General shall reserve, from any appropriation available therefor, the amount of such grant as determined under subsection (a); the amount so reserved may be paid in advance or by way of reimbursement, and in such installments consistent with construction progress, as the Surgeon General may determine. The Surgeon General's reservation of any amount under this section may be amended by him, either upon approval of an amendment of the application or upon revision of the estimated cost of construction of the facility.

(c) In determining the amount of any grant under this part, there shall be excluded from the cost of construction an amount equal to the sum of (1) the amount of any other Federal grant which the applicant has obtained, or is assured of obtaining, with respect to the construction which is to be financed in part by grants authorized under this part, and (2) the amount of any non-Federal funds required to be expended as a condition of such other Federal grant.

(d) In the case of a project for construction of facilities which are primarily (as determined in accordance with regulations of the Secretary) for teaching purposes and for which a grant may be made under this part, but which also are for research purposes, or research and elated purposes, in the sciences related to health (within the meaning of part A of this title) or for medical library purposes (within the meaning of part I of title III), the project shall, insofar as all such purposes are involved, be regarded as a project for facilities with respect to which a grant may be made under this part.

RECAPTURE OF PAYMENTS

Sec. 723. If, within twenty years after completion of any construction for which funds have been paid under this part—

(a) the applicant or other owner of the facility shall cease to be a public or nonprofit school or, in case the facility was an affiiliated hospital, the applicant or other owner of the facility ceases to be a public or other nonprofit agency qualified to file an application under section 605, or

(b) the facility shall cease to be used for the teaching purposes (and the other purposes permitted under section 722) for which it was constructed, unless the Secretary determines, in accordance with regulations, that there is good cause for releasing the applicant or other owner from the obligation to do so,

(c) the facility is used for sectarian instruction or as a place for religious worship,

the United States shall be entitled to recover from the applicant or other owner of the facility the amount bearing the same ratio to the then value (as determined by agreement of the parties or by action brought in the United States district court for the district in which such facility is situated) of the facility, as the amount of the Federal participation bore to the cost of construction of such facility.

DEFINITIONS

Sec. 724. As used in this part and parts C, E, and F—

(1) The terms "construction" and "cost of construction" include (A) the construction of new buildings, the expansion of existing buildings, and remodeling, replacement, renovation, major repair (to the extent permitted by regulations), or alteration of existing buildings, including architects' fees, but not including the cost of acquisition of land or offsite improvements, and (B) initial equipment of new buildings and of the expanded, remodeled, repaired, renovated, or altered part of existing buildings; but such term shall not include the construction or cost of construction of so much of any facility as is used or is to be used for sectarian instruction or as a place for religious worship;

(2) The term "nonprofit school" means a school owned and operated by one or more corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual;

(3) The term "affiliated hospital" means a hospital, as defined in section 645, which is not owned by, but is affiliated (to the extent and in the manner determined in accordance with regulations)

with, a school of medicine or school of osteopathy which meets the eligibility conditions set forth in section 721(b)(1);

(4) The term "school of medicine", "school of dentistry", "school of osteopathy", "school of pharmacy", "school of optometry", "school of podiatry", "school of veterinary medicine", and "school of public health" mean a school which provides training leading, respectively, to a degree of doctor of medicine, a degree of doctor of dentistry or an equivalent degree, a degree of doctor of osteopathy, a degree of bachelor of science in pharmacy or doctor of pharmacy, a degree of doctor of optometry or an equivalent degree, a degree of doctor of podiatry or doctor of surgical chiropody, a degree of doctor of veterinary medicine or an equivalent degree, and a graduate degree in public health, and including advanced training related to such training provided by any such school; and

(5) The term "school of nursing" means a department, school, division, or other administrative unit, in a college or university, which provides, primarily or exclusively, a program of education in professional nursing and allied subjects leading to the degree of bachelor of arts, bachelor of science, bachelor of nursing, or other baccalaureate degree of equivalent rank; or to a graduate degree in nursing.

NATIONAL ADVISORY COUNCIL ON EDUCATION FOR HEALTH PROFESSIONS

SEC. 725 (a). There is hereby established in the Public Health Service a National Advisory Council on Education for Health Professions, consisting of the Surgeon General of the Public Health Service, who shall be Chairman, and the Commissioner of Education, both of whom shall be ex officio members, and seventeen members appointed by the Secretary without regard to the civil service laws. Four of the appointed members shall be selected from the general public and thirteen shall be selected from among leading authorities in the fields of higher education, at least nine of whom are particularly concerned with training in medicine, dentistry, osteopathy, pharmacy, optometry, podiatry, veterinary medicine or the public health professions. In selecting persons for appointment to the Council, consideration shall be given to such factors, among others, as (1) experience in the planning, constructing, financing, or administration of schools of medicine, dentistry, osteopathy, pharmacy, optometry, podiatry, veterinary medicine, or schools of public health, and (2) familiarity with the need for teaching facilities in all areas of the Nation.

(b) The Council shall advise the Surgeon General in the preparation of general regulations and with respect to policy matters arising in the administration of this part, and in the review of applications thereunder.

(c) The Surgeon General is authorized to use the services of any member or members of the Council in connection with matters related to the administration of this part, for such periods, in addition to conference periods, as he may determine. The Surgeon General shall, in addition, make appropriate provsion for consultation between the coordination of the work of the Council and the National Advisory Council on Health Research Facilities with respect to matters bearing on the purposes and administration of this part.

NONINTERFERENCE WITH ADMINISTRATION OF INSTITUTIONS

SEC. 726. Nothing contained in this part shall be construed as authorizing any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over, or impose any requirement or condition with respect to, the personnel, curriculum, methods of instruction, or administration of any institution.

REGULATIONS

SEC. 727. (a) The Surgeon General, after consultation with the Council and with the approval of the Secretary, shall prescribe general regulations for this part covering the eligibility of institutions, the order of priority in approving applications, the terms and conditions for approving applications, determinations of the amounts of grants, and minimum standards of construction and equipment for various types of institutions.

(b) The Surgeon General is authorized to make, with the approval of the Secretary, such other regulations as he finds necessary to carry out the provisions of this part.

TECHNICAL ASSISTANCE

SEC. 728. In carrying out the purposes of this part, and to further the development of State, or joint or coordinated regional or other interstate, planning of programs for relieving shortages of training capacity in the fields of medicine, dentistry, osteopathy, pharmacy, optometry, podiatry, and public health, through constructing teaching facilities, providing adequate financial support for schools, or otherwise, the Surgeon General is authorized to provide technical assistance and consultative services to State or interstate planning agencies established for any of such purposes.

PART C—STUDENT LOANS

LOAN AGREEMENTS

SEC. 740. (a) The Secretary of Health, Education, and Welfare is authorized to enter into an agreement for the establishment and operation of a student loan fund in accordance with this part with any public or other nonprofit school of medicine, osteopathy, dentistry, pharmacy, podiatry, optometry, or veterinary medicine which is located in a State and is accredited as provided in section 721(b)(1)(B).

(b) Each agreement entered into under this section shall—

(1) provide for establishment of a student loan fund by the school;

(2) provide for deposit in the fund, except as provided in section 746, of (A) the Federal capital contributions to the fund, (B) an amount equal to not less than one-ninth of such Federal capital contributions, contributed by such institution, (C) collections of principal and interest on loans made from the fund, (D) collections pursuant to section 741(j), and (E) any other earnings of the fund;

(3) provide that the fund, except as provided in section 746, shall be used only for loans to students of the school in accordance with the agreement and for costs of collection of such loans and interest thereon;

(4) provide that loans may be made from such funds only to students pursuing a full-time course of study at the school leading to a degree of doctor of medicine, doctor of dentistry or an equivalent degree, doctor of osteopathy, bachelor of science in pharmacy or doctor of pharmacy, doctor of podiatry or doctor of surgical chiropody, doctor of optometry or an equivalent degree, or doctor of venterinary medicine or an equivalent degree, and that while the agreement remains in effect no such student who has attended such school before July 1, 1971, shall receive a loan from a loan fund established under section 204 of the National Defense Education Act of 1958; and

(5) contain such other provisions as are necessary to protect the final interests of the United States.

LOAN PROVISIONS

SEC. 741. (a) Loans from a loan fund established under this part may not exceed $2,500 for any student for any academic year or its equivalent. In the granting of such loans, a school shall give preference to persons who enter as first-year students after June 30, 1963.

(b) Any such loans shall be made on such terms and conditions as the school may determine, but may be made only to a student in need of the amount thereof to pursue a full-time course of study at the school leading to a degree of doctor of medicine, doctor of dentistry or an equivalent degree, doctor of osteopathy, bachelor of science in pharmacy or doctor of pharmacy, doctor of podiatry or doctor of surgical chiropody, doctor of optometry or an equivalent degree, or doctor of veterinary medicine or an equivalent degree.

(c) Such loans shall be repayable in equal or graduated periodic installments (with the right of the borrower to accelerate repayment) over the ten-year period which begins one year after the student ceases to pursue a full-time course of study at a school of medicine, osteopathy, dentistry, pharmacy, podiatry, optometry, or veterinary medicine, excluding from such ten-year period all periods (up to three years) of (1) active duty performed by the borrower as a member of a uniformed service, or (2) service as a volunteer under the Peace Corps Act; and periods (up to five years) of advanced professional training including internships and residences.

(d) The liability to repay the unpaid balance of such a loan and accrued interest thereon shall be canceled upon the death of the borrower, or if the Secretary determines that he has become permanently, and totally disabled.

(e) Such loans shall bear interest, on the unpaid balance of the loan, computed only for periods for which the loan is repayable, at the rate of 3 per centum per year.

(f) Where any person who obtained one or more loans from a loan fund established under this part—

(1) engages in the practice of medicine, dentistry, optometry, or osteopathy in an area in a State determined by the appropriate

State health authority, in accordance with regulations provided by the Secretary, to have a shortage of and need for physicians, optometrists or dentists; and

(2) the appropriate State health authority certifies to the Secretary of Health, Education, and Welfare in such form and at such times as the Secretary may prescribe that such practice helps to meet the shortage of and need for physicians, optometrists or dentists in the area where the practice occurs; then 10 per centum of the total of such loans, plus accrued interest on such amount, which are unpaid as of the date that such practice begins, shall be canceled thereafter for each year of such practice, up to a total of 50 per centum of such total, plus accrued interest thereon.

In the case of a physician, dentist, or optometrist, the rate shall be 15 per centum (rather than 10 per centum) for each year of such practice in an area in a State which for purposes of this subsection and for that year has been determined by the Secretary, pursuant to regulations and after consultation with the appropriate State health authority, to be a rural area characterized by low family income; and, for the purpose of any cancellation pursuant to this sentence, an amount equal to an additional 50 per centum of the total amount of such loans plus interest may be canceled.

(g) Loans shall be made under this part without security or endorsement, except that if the borrower is a minor and the note or other evidence of obligation executed by him would not, under the applicable law, create a binding obligation, either security or endorsement may be required.

(h) No note or other evidence of a loan made under this part may be transferred or assigned by the school making the loan except that, if the borrower transfers to another school participating in the program under this part, such note or other evidence of a loan may be transferred to such other school.

(i) Where all or any part of a loan, or interest, is canceled under this section, the Secretary shall pay to the school an amount equal to the school's proportionate share of the canceled portion, as determined by the Secretary.

(j) Subject to regulations of the Secretary, a school may assess a charge with respect to a loan made under this part for failure of the borrower to pay all or any part of an installment when it is due and, in the case of a borrower who is entitled to deferment of the loan under subsection (c) or cancellation of part or all of the loan under subsection (f), for any failure to file timely and satisfactory evidence of such entitlement. The amount of any such charge may not exceed $1 for the first month or part of a month by which such installment or evidence is late and $2 for each such month or part of a month thereafter. The school may elect to add the amount of any such charge to the principal amount of the loan as of the first day after the day on which such installment or evidence was due, or to make the amount of the charge payable to the school not later than the due date of the next installment after receipt by the borrower of notice of the assessment of the charge.

(k) A school may provide, in accordance with regulations of the Secretary, that during the repayment period of a loan from a loan fund established pursuant to an agreement under this part payments of principal and interest by the borrower with respect to all the outstanding loans made to him from loan funds so established shall be at a rate equal to not less than $15 per month.

AUTHORIZATION OF APPROPRIATIONS

Sec. 742. (a) There are hereby authorized to be appropriated to the Secretary of Health, Education, and Welfare to carry out this part (other than section 744) $5,100,000 for the fiscal year ending June 30, 1964, $10,200,000 for the fiscal year ending June 30, 1965, $15,400,000 for the fiscal year ending June 30, 1966, $25,000,000 each for the fiscal year ending June 30, 1967, and the two succeeding fiscal years, and $35,000,000 each for the fiscal year ending June 30, 1970, and the next fiscal year. In addition to the sums authorized to be appropriated by the preceding sentence, there are authorized to be appropriated $500,000 for the fiscal year ending June 30, 1967, $1,000,000 for the fiscal year ending June 30, 1968, and $1,500,000 for the fiscal year ending June 30, 1969, which sums shall be available for carrying out this part (other than section 744) solely with respect to students of veterinary medicine. There are further authorized to be appropriated to the Secretary such sums for the fiscal year ending June 30, 1972, and each of the two succeeding fiscal years as may be necessary to enable students who have received a loan under this part for any academic year ending before July 1, 1971, to continue or complete their education. Sums appropriated under this section for the fiscal year ending June 30, 1967, or any subsequent fiscal year shall be available to the Secretary (1) for payments into the fund established by section 744(d), (2) for making Federal capital contributions into loan funds at schools which have established loan funds under this part, and (3) for transfers pursuant to section 746.

(b)(1) The Secretary shall from time to time set dates by which schools must file applications for Federal capital contributions, and for loans pursuant to section 744.

(2) If the total of the amounts requested for any fiscal year in such applications exceeds the amounts appropriated under this section for that fiscal year, the allotment to the loan fund of each such school shall be reduced to whichever of the following is the smaller: (A) the amount requested in its application or (B) an amount which bears the same ratio to the amounts appropriated as the number of students estimated by the Secretary to be enrolled in such school during such fiscal year bears to the estimated total number of students in all such schools during such year. Amounts remaining after allotment under the preceding sentence shall be reallotted in accordance with clause (B) of such sentence among schools whose applications requested more than the amounts so allotted to their loan funds, but with such adjustments as may be necessary to prevent the total allotted to any such school's loan fund from exceeding the total so requested by it.

(3) Funds available in any fiscal year for payment to schools under this part (whether as Federal capital contributions or as loans to schools under section 744) which are in excess of the amount appropriated pursuant to this section for that year shall be allotted among

schools in such manner as the Secretary determines will best carry out the purposes of this part.

(4) Allotments to a loan fund of a school shall be paid to it from time to time in such installments as the Secretary determines will not result in unnecessary accumulations in the loan fund at such school.

DISTRIBUTION OF ASSETS FROM LOAN FUNDS

SEC. 743 (a) After June 30, 1974, and not later than September 30, 1974, there shall be a capital distribution of the balance of the loan fund established under an agreement pursuant to section 740(b) by each school as follows:

(1) The Secretary shall first be paid an amount which bears the same ratio to such balance in such fund at the close of June 30, 1974, as the total amount of the Federal capital contributions to such fund by the Secretary pursuant to section 740(b)(2)(A) bears to the total amount in such fund derived from such Federal capital contributions and from funds deposited therein pursuant to section 740(b)(2)(B).

(2) The remainder of such balance shall be paid to the school.

(b) After September 30, 1974, each school with which the Secretary has made an agreement under this part shall pay to the Secretary, not less often than quarterly, the same proportionate share of amounts received by the school after June 30, 1974, in payment of principal or interest on loans made from the loan fund established pursuant to such agreement (other than so much of such fund as relates to payments from the revolving fund established by section 744(d)) as was determined for the Secretary under subsection (a).

LOANS TO SCHOOLS; REVOLVING FUND

Loans to Schools

SEC. 744. (a)(1) During the fiscal years ending June 30, 1967, and June 30, 1968, and each of the next three fiscal years, the Secretary may make loans, from the revolving fund established by subsection (d), to any public or other nonprofit school referred to in section 740(a) which is located in a State and is accredited as provided in section 721(b)(1)(B), to provide all or part of the capital needed by any such school for making loans to students under this section (other than capital needed to finance the institutional contributions required by section 740(b)(2)(B)). Loans to students from such borrowed sums shall be subject to the terms, conditions, and limitations set forth in section 741. The requirement in section 740(b)(2)(B) with respect to institutional contributions to student loan funds shall not apply to loans made to schools under this section.

(2) A loan to a school under this section may be upon such terms and conditions, consistent with applicable provisions of section 740, as the Secretary deems appropriate. If the Secretary deems it to be necessary to assure that the purposes of this section will be achieved, these terms and conditions may include provisions making the school's obligation to the Secretary on such a loan payable solely from such revenues or other assets or security (including collections on loans

to students) as the Secretary may approve. Such a loan shall bear interest at a rate which the Secretary determines to be adequate to cover (A) the cost of the funds to the Treasury as determined by the Secretary of the Treasury, taking into consideration the current average yields of outstanding marketable obligations of the United States having maturities comparable to the maturities of loans made by the Secretary under this section, and (B) probable losses.

Payments to Schools To Cover Certain Costs Incurred in Making Student Loans From Borrowed Funds

(b) If a school borrows any sums under this section, the Secretary shall agree to pay to the school (1) an amount equal to 90 per centum of the loss to the school from defaults on student loans made from such sums, (2) the amount by which the interest payable by the school on such sums exceeds the interest received by it on student loans made from such sums, (3) an amount equal to the collection expenses authorized by section 740(b)(3) to be paid out of a student loan fund with respect to such sums, and (4) the amount of principal which is canceled pursuant to section 741 (d) or (f) with respect to student loans made from such funds. There are authorized to be appropriated without fiscal year limitation such sums as may be necessary to carry out the purposes of this subsection.

Limitation on Loans From Revolving Fund

(c) The total of the loans made in any fiscal year under this section may not exceed the lesser of (1) such limitations as may be specified in appropriation Acts, and (2) the difference between $45,000,000 and the amount of Federal funds (other than loans under this section) deposited in student loan funds under this part for that year.

Revolving Fund

(d)(1) There is hereby created within the Treasury a health professions education fund (hereinafter in this section called "the fund") which shall be available to the Secretary without fiscal-year limitation as a revolving fund for the purposes of this section. A business-type budget for the fund shall be prepared, transmitted to the Congress, considered, and enacted in the manner prescribed by law (sections 102, 103, and 104 of the Government Corporation Control Act, 31 U.S.C. 847–849) for wholly owned Government Corporations.

(2) The fund shall consist of appropriations paid into the fund pursuant to section 742(a), appropriations made pursuant to this subsection, all amounts received by the Secretary as interest payments or repayments of principal on loans under this section, and any other moneys, property, or assets derived by him from his operations in connection with this section (other than subsection (b)), including any moneys derived directly or indirectly from the sale of assets, or beneficial interests or participations in assets, of the fund.

(3) All loans, expenses (other than normal administrative expenses), and payments pursuant to operations of the Secretary under this section (other than subsection (b)) shall be paid from the fund,

including (but not limited to) expenses and payments of the Secretary in connection with the sale, under section 302(c) of the Federal National Mortgage Association Charter Act, of participations in obligations acquired under this section. From time to time, and at least at the close of each fiscal year, the Secretary shall pay from the fund into the Treasury as miscellaneous receipts interest on the cumulative amount of appropriations paid out for loans under this section, less the average undisbursed cash balance in the fund during the year. The rate of such interest shall be determined by the Secretary of the Treasury, taking into consideration the average market yield during the month preceding each fiscal year on outstanding Treasury obligations of maturity comparable to the average maturity of loans made from the fund. Interest payments may be deferred with approval of the Secretary of the Treasury, but any interest payments so deferred shall themselves bear interest. If at any time the Secretary determines that moneys in the fund exceed the present and any reasonably prospective future requirements of the fund, such excess may be transferred to the general fund of the Treasury.

(4) In addition to the sums authorized to be appropriated by section 742(a), there are authorized to be appropriated to the fund established by this subsection $10,000,000 for the fiscal year ending June 30, 1967.

ADMINISTRATIVE PROVISIONS

SEC. 745. The Secretary may agree to modifications of agreements or loans made under this part, and may compromise, waive, or release any right, title, claim, or demand of the United States arising or acquired under this part.

TRANSFER OF FUNDS TO SCHOLARSHIPS

SEC. 746. Not to exceed 20 per centum of the amount paid to a school from the appropriations for any fiscal year for Federal capital contributions under an agreement under this part, or such larger percentage thereof as the Secretary may approve, may be transferred to the sums available to the school under part F of this title to be used for the same purpose as such sums. In the case of any such transfer, the amount of any funds which the school deposited in its student loan fund pursuant to section 740(b)(2)(B) with respect to the amount so transferred may be withdrawn by the school from such fund.

PART D—CENTERS FOR RESEARCH ON MENTAL RETARDATION AND RELATED ASPECTS OF HUMAN DEVELOPMENT

AUTHORIZATION OF APPROPRIATIONS

SEC. 761. There are authorized to be appropriated $6,000,000 for the fiscal year ending June 30, 1964, $8,000,000 for the fiscal year ending June 30, 1965, and $6,000,000 each for the fiscal year ending June 30, 1966, and the fiscal year ending June 30, 1967, for project grants to assist in meeting the costs of construction of facilities for research, or research and related purposes, relating to human development, whether biological, medical, social, or behavioral, which may assist in finding the causes, and means of prevention, of mental retardation, or in finding means of ameliorating the effects of mental retardation. Sums so appropriated shall remain available until expended for payments with respect to projects for which applications have been filed under this part before July 1, 1967, and approved by the Surgeon General thereunder before July 1, 1968.

APPLICATIONS

SEC. 762. (a) Applications for grants under this part with respect to any facility may be approved by the Surgeon General only if—

(1) the applicant is a public or nonprofit institution which the Surgeon General determines is competent to engage in the type of research for which the facility is to be constructed; and

(2) the application contains or is supported by reasonable assurances that (A) for not less than twenty years after completion of construction, the facility will be used for the research, or research and related purposes, for which it was constructed; (B) sufficient funds will be available for meeting the non-Federal share of the cost of constructing the facility; (C) sufficient funds will be available, when facility for the research, or research and related purposes, for which it was constructed; and (D) all laborers and mechanics employed by contractors or subcontractors in the performance of work on construction of the center will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a—276a-5); and the Secretary of Labor shall have, with respect to the labor standards specified in the clause (D) the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 5 U.S.C. 133z-15), and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

(b) In acting on applications for grants, the Surgeon General shall take into consideration the relative effectiveness of the proposed facilities in expanding the Nation's capacity for research and related purposes in the field of mental retardation and related aspects of human development, and such other factors as he, after consultation with the national advisory council or councils concerned with the field or fields of research involved, may by regulation prescribe in order to assure that the facilities constructed with such grants, severally and together, will best serve the purpose of advancing scientific knowledge pertaining to mental retardation and related aspects of human development.

AMOUNT OF GRANTS; PAYMENTS

SEC. 763. (a) The total of the grants with respect to any project for the construction of a facility under this part may not exceed 75 per centum of the necessary cost of construction of the center as determined by the Surgeon General.

(b) Payments of grants under this part shall be made in advance or by way of reimbursement, in such installments consistent with construction progress, and on such conditions as the Surgeon General may determine.

(c) No grant may be made after January 1, 1964, under any provision of this Act other than this part, for any of the four fiscal years in the period beginning July 1, 1963, and ending June 30, 1967, for construction of any facility described in this part, unless the Surgeon General determines that funds are not available under this part to make a grant for the construction of such facility.

RECAPTURE OF PAYMENTS

Sec. 764. If, within twenty years after completion of any construction for which funds have been paid under this part—

(1) the applicant or other owner of the facility shall cease to be a public or nonprofit institution, or

(2) the facility shall cease to be used for the research purposes, or research and related purposes, for which it was constructed, unless the Surgeon General determines, in accordance with regulations, that there is good cause for releasing the applicant or other owner from the obligation to do so,

the United States shall be entitled to recover from the applicant or other owner of the facility the amount bearing the same ratio to the then value (as determined by agreement of the parties or by action brought in the United States district court for the district in which such facility is situated) of the facility, as the amount of the Federal participation bore to the cost of construction of such facility.

NONINTERFERENCE WITH ADMINISTRATION OF INSTITUTIONS

Sec. 765. Except as otherwise specifically provided in this part, nothing contained in this part shall be construed as authorizing any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over, or impose any requirement or condition with respect to, the research or related purposes conducted by, and the personnel or administration of, any institution.

DEFINITIONS

Sec. 766. As used in this part—

(1) the terms "construction" and "cost of construction" include (A) the construction of new buildings and the expansion, remodeling, and alteration of existing buildings, including architects' fees, but not including the cost of acquisition of land or off-site improvements, and (B) equipping new buildings and existing buildings, whether or not expanded, remodeled, or altered;

(2) the term "nonprofit institution" means an institution owned and operated by one or more corporations or associations no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

PART E—GRANTS TO IMPROVE THE QUALITY OF SCHOOLS OF MEDICINE, DENTISTRY, OSTEOPATHY, OPTOMETRY, AND PODIATRY

AUTHORIZATION FOR APPROPRIATIONS

SEC. 770. (a) There are authorized to be appropriated $117,000,000 for the fiscal year ending June 30, 1970, and $168,000,000 for the fiscal year ending June 30, 1971, for institutional grants under section 771 and special project grants under section 772.

(b) The portion of the sums so appropriated for each fiscal year which shall be available for grants under each such section shall be determined by the Secretary unless otherwise provided in the Act or Acts appropriating such sums for such year.

INSTITUTIONAL GRANTS

SEC. 771. (a)(1) The sums available for grants under this section from appropriations under section 770 for the fiscal year ending June 30, 1970, and for the next fiscal year shall be distributed to the schools of medicine, dentistry, osteopathy, pharmacy, optometry, veterinary medicine, and podiatry with approved applications as follows: Each school shall receive $25,000; and of the remainder—

(A) 75 per centum shall be distributed on the basis of—

(i) the relative enrollment of full-time students for such year, and

(ii) the relative increase in enrollment of such students for such year over the average enrollment of such school for the five school years preceding the year for which the application is made;

with the amount per full-time student so computed that a school receives twice as much for each such student in the increase as for other full-time students, and

(B) 25 per centum shall be distributed on the basis of the relative number of graduates for such year.

In computing the increase under clause (a)(ii) of the preceding sentence for any school, there shall be excluded a number equal to the increase required by subsection (b)(1) (except in the case of a school to which the third sentence of such subsection applies).

(2) For the fiscal years ending June 30, 1970, and June 30, 1971, only, the sum computed under paragraph (1) for any school which is less than the amount such school received under this section for the fiscal year ending June 30, 1969, shall be increased to that amount, the total of the increases thereby required being derived by proportionately reducing the sums computed under such paragraph (1) for the remaining schools, but with such adjustments as may be necessary to prevent the sums computed for any of such remaining schools from being reduced to less than the amount it received for such fiscal year ending June 30, 1969, under this section.

(b)(1) The Secretary shall not make a grant under this section to any school unless the application for such grant contains or is supported by reasonable assurances that for the first school year beginning after the fiscal year for which such grant is made and each school year thereafter during which such a grant is made the first-year enrollment of full-time students in such school will exceed the average of the first-year enrollments of such students in such school for the two school years having the highest such enrollment during the five school years during the period of July 1, 1963, through June 30, 1968, by at least 2½ per centum of such average first-year enrollments, or by five students, whichever is greater. The requirements of this paragraph shall be in addition to the requirements of section 721(c)(2)(D) of this Act, where applicable. The Secretary is authorized to waive (in whole or in part) the provisions of this paragraph if he determines, after consultation with the National Advisory Council on Health Professions Educational Assistance, that the required increase in first-year enrollment of full-time students in a school cannot, because of limitations of physical facilities available to the school for training, be accomplished without lowering the quality of training provided therein.

(2) Notwithstanding the preceding provisions of this section, no grant under this section to any school for any fiscal year may exceed the total of the funds from non-Federal sources expended (excluding expenditures of a nonrecurring nature) by the school during the preceding year for teaching purposes (as determined in accordance with criteria prescribed by the Secretary), except that this paragraph shall not apply in the case of a school which has for such year a particular year-class which it did not have for the preceding year or in the case of Howard University.

(c)(1) For purposes of this part and part F, regulations of the Secretary shall include provisions relating to determination of the number of students enrolled in a school, or in a particular year-class in a school, or the number of graduates, as the case may be, on the basis of estimates or on the basis of the number of students who were enrolled in a school, or in a particular year-class in a school, or were graduates, in an earlier year, as the case may be, or on such basis as he deems appropriate for making such determination, and shall include methods of making such determination when a school or a year-class was not in existence in an earlier year at a school.

(2) For purposes of this part and part F, the term "full-time students" (whether such term is used by itself or in connection with a particular year-class) means students pursuing a full-time course of study leading to a degree of doctor of medicine, doctor of dentistry, or an equivalent degree, doctor of osteopathy, bachelor of science in pharmacy, or doctor of pharmacy, doctor of optometry or an equivalent degree, doctor of veterinary medicine or an equivalent degree, or doctor of podiatry or an equivalent degree.

(d) In the case of a new school of medicine, dentistry, osteopathy, pharmacy, optometry, veterinary medicine, or podiatry, which applies for a grant under this section in the fiscal year preceding the fiscal year in which it will admit its first class, the enrollment for purposes of subparagraph (a)(1)(A) of this section shall be the number of full-time students which the Secretary determines, on the basis of assurances provided by the school, will be enrolled in the school, in the fiscal year after the fiscal year in which the grant is made.

SPECIAL PROJECT GRANTS

SEC. 772. (a) Grants may be made, from sums available therefor from appropriations under section 770 for the fiscal year ending June 30, 1970, and for the next fiscal year, to assist schools of medicine, dentistry, osteopathy, pharmacy, optometry, podiatry, and veterinary medicine in meeting the cost of special projects to plan, develop, or establish new programs or modifications of existing programs of education in such health professions or to effect significant improvements in curriculums of any such schools or for research in the various fields related to education in such health professions, or to develop training for new levels or types of health professions personnel, or to assist any such schools which are in serious financial straits to meet their costs of operation or which have special need for financial assistance to meet the accreditation requirements, or to assist any such schools to meet the costs of planning experimental teaching facilities or experimental design thereof, or which will otherwise strengthen, improve, or expand programs to train personnel in such health professions or help to increase the supply of adequately trained personnel in such health professions needed to meet the health needs of the Nation. Sums appropriated under section 770 for the fiscal year ending June 30, 1971, for grants under this section to assist any such schools which are in serious financial straits to meet their costs of operation shall remain available to make such grants until June 30, 1972.

(b) The Congress finds and declares that the Nation's economy, welfare, and security are adversely affected by the acute financial crisis which threatens the survival of medical and dental schools which provide the highest quality of teaching, medical and dental research, and delivery of health care for the Nation. The Secretary shall determine the need for emergency financial assistance to such medical and dental schools and shall report to the Congress on or before June 30, 1971, his determinations of such need and his recommendations for such administrative and legislative action as he determines is necessary to meet such needs.

APPLICATIONS FOR GRANTS

SEC. 773. (a) The Surgeon General may from time to time set dates (not earlier than in the fiscal year preceding the year for which a grant is sought) by which applications for grants under section 771 or 772 for any fiscal year must be filed.

(b) To be eligible for a grant under this part, the applicant must (1) be a public or other non-profit school of medicine, dentistry, osteopathy, optometry, pharmacy, veterinary medicine, or podiatry, and (2) be accredited by a recognized body or bodies approved for such purpose by the Commissioner of Education, except that the requirement of this clause (2) shall be deemed to be satisfied if, (A) in the case of a school which by reason of no, or an insufficient, period of operation is not, at the time of application for a grant under this part, eligible for such accreditation, the Commissioner finds, after consultation with the appropriate accreditation body or bodies, that there is reasonable assurance that the school will meet the accreditation standards of such body or bodies prior to the beginning of the academic year following the normal graduation date of students who are in their first year of instruction at such school during the fiscal year in which the Surgeon General makes a final determination as to approval of the application, or (B) in the case of any other school, the Commissioner finds after such consultation and after consultation with the Surgeon General that there is reasonable ground to expect that, with the aid of a grant or grants under this part, having regard for the purposes of the grant sought, such school will meet such accreditation standards within a reasonable time.

(c) The Surgeon General shall not approve or disapprove any application for a grant under this part except after consultation with the National Advisory Council on Health Professions Educational Assistance (established by section 774).

(d) A grant under this part may be made only if the application therefor—

(1) is approved by the Surgeon General upon his determination that the applicant meets the eligibility conditions set forth in subsection (b) of this section;

(2) contains or is supported by assurances satisfactory to the Surgeon General that the applicant will expend in carrying out its functions as a school of medicine, dentistry, osteopathy, optometry, or podiatry, as the case may be, during the fiscal year for which such grant is sought, an amount of funds (other than funds for construction as determined by the Surgeon General) from non-Federal sources which are at least as great as the average amount of funds expended by such applicant for such purpose (excluding expenditures of a nonrecurring nature) in the three fiscal years immediately preceding the fiscal year for which such grant is sought;

(3) contains such additional information as the Surgeon General may require to make the determination required of him under this part and such assurances as he may find necessary to carry out the purposes of this part; and

(4) provides for such fiscal-control and accounting procedures and reports, and access to the records of the applicant, as the Surgeon General may require to assure proper disbursement of and accounting for Federal funds paid to the applicant under this part.

(e) In determining priority of projects applications for which are filed under section 772, the Secretary shall give consideration to—

(1) the extent to which the project will increase enrollment of full-time students receiving the training for which grants are authorized under this part;

(2) the relative need of the applicant for financial assistance to maintain or provide for accreditation or to avoid curtailing

enrollment or reduction in the quality of training provided; and

(3) the extent to which the project may result in curriculum improvement or improved methods of training or will help to reduce the period of required training without adversely affecting the quality thereof.

NATIONAL ADVISORY COUNCIL ON HEALTH PROFESSIONS EDUCATIONAL ASSISTANCE

Sec. 774. (a) There is hereby established in the Public Health Service a National Advisory Council on Health Professions Educational Assistance consisting of the Surgeon General, who shall be Chairman, and fourteen members appointed without regard to the civil service laws by the Surgeon General with the approval of the Secretary of Health, Education, and Welfare, and such appointments may be made for specified staggered terms. The appointed members of the Council shall be selected from among leading authorities in the fields of medical, dental, optometric, podiatric, pharmaceutical, and veterinary education, respectively, except that not less than three of such members shall be selected from the general public.

(b) The Council shall advise the Surgeon General in the preparation of general regulations and with respect to policy matters arising in the administration of this part and part F, and in the review of applications under this part.

(c) The Surgeon General is authorized to use the services of any member or members of the Council in connection with matters related to the administration of this part or part F, for such periods in addition to conference periods, as he may determine.

Part F—Scholarship Grants to Schools of Medicine, Osteopathy, Dentistry, Optometry, Podiatry, Pharmacy, or Veterinary Medicine

SCHOLARSHIP GRANTS

Sec. 780. (a) The Surgeon General shall make grants as provided in this part to each public or other nonprofit school of medicine, osteopathy, dentistry, optometry, podiatry, pharmacy, or veterinary medicine which is accredited as provided in section 721(b)(1)(B) or section 773(b)(2), for scholarships to be awarded annually by such school to students thereof.

(b) The amount of the grant under subsection (a) to each such school shall be equal to $2,000 multiplied (1) for the fiscal year ending June 30, 1966, by one-tenth of the number of full-time first-year students of such school; (2) for the fiscal year ending June 30, 1967, by one-tenth of the number of full-time first-year students and second-year students of such school; (3) for the fiscal year ending June 30, 1968, by one-tenth of the number of full-time first-year students, second-year students, and third-year students of such school; and (4) for the fiscal year ending June 30, 1969, and each of the next two fiscal years, by one-tenth of the number of full-time students of such school. For the fiscal year ending June 30, 1972, and for each of the two succeeding fiscal years, the grant under subsection (a) shall be such amount as may be necessary to enable such school to continue making payments under scholarship awards to students who initially received such awards out of grants made to the school for fiscal years ending prior to July 1, 1971.

(c) (1) Scholarships may be awarded by schools from grants under subsection (a)—

(A) only to individuals who have been accepted by them for enrollment as full-time first-year students, in the case of awards from such grants for the fiscal year ending June 30, 1966;

(B) only to individuals who have been so accepted, and individuals enrolled and in good standing as full-time second-year students, in the case of awards from such grants for the fiscal year ending June 30, 1967.

(C) only to individuals who have been so accepted, and individuals enrolled and in good standing as full-time second-year or third-year students, in the case of awards from such grants for the fiscal year ending June 30, 1968;

(D) only to individuals who have been so accepted, and individuals enrolled and in good standing as full-time students, in the case of awards from such grants for the fiscal year ending June 30, 1969, and each of the next two fiscal years; and

(E) only to individuals enrolled and in good standing as full-time students who initially received scholarship awards out of such grants for a fiscal year ending prior to July 1, 1971, in the case of awards from such grants for the fiscal year ending June 30, 1972, or the two succeeding fiscal years.

(2) Scholarships from grants under subsection (a) for any school year shall be awarded only to students of exceptional financial need who need such financial assistance to pursue a course of study at the school for such year. Any such scholarship awarded for a school year shall cover such portion of the student's tuition, fees, books, equipment, and living expenses at the school making the award, but not to exceed $2,500 for any year, as such school may determine the student needs for such year on the basis of his requirements and financial resources.

(d) Grants under subsection (a) shall be made in accordance with regulations prescribed by the Surgeon General after consultation with the National Advisory Council on Health Professions Education Assistance.

(e) Grants under subsection (a) may be paid in advance or by way of reimbursement, and at such intervals as the Surgeon General may find necessary; and with appropriate adjustments on account of overpayments or underpayments previously made.

TRANSFER TO STUDENT LOAN FUNDS

Sec. 781. Not to exceed 20 per centum of the amount paid to a school from the appropriations for any fiscal year for scholarships under this part, or such larger percentage thereof as the Secretary may approve, may be transferred to the sums available to the school under part C for (and to be regarded as) Federal capital contributions, to be used for the same purpose as such sums.

Part G—Training in the Allied Health Professions

GRANTS FOR CONSTRUCTION OF TEACHING FACILITIES FOR ALLIED HEALTH PROFESSIONS PERSONNEL

Authorization of Appropriations

Sec. 791 (a) (1) There are authorized to be appropriated for grants to assist in the construction of new facilities for training centers for allied health professions, or replacement or rehabilitation of existing facilities for such centers, $3,000,000 for the fiscal year ending June 30, 1967; $9,000,000 for the fiscal year ending June 30, 1968; $13,500,000 for the fiscal year ending June 30, 1969; $10,000,000 for the fiscal year ending June 30, 1970; $20,000,000 for the fiscal year ending June 30, 1971; $30,000,000 for the fiscal year ending June 30, 1972; and $40,000,000 for the fiscal year ending June 30, 1973.

(2) Sums appropriated pursuant to paragraph (1) for a fiscal year shall remain available for grants under this section until the close of the next fiscal year.

Approval of Applications for Construction Grants

(b) (1) No application for a grant under this section may be approved unless it is submitted to the Surgeon General prior to July 1, 1972. The Surgeon General may from time to time set dates (not earlier than the fiscal year preceding the year for which a grant is sought) by which applications for grants under this section for any fiscal year must be filed.

(2) A grant under this section may be made only if the application therefor is approved by the Surgeon General upon his determination that—

(A) the applicant is a public or nonprofit private training center for allied health professions;

(B) the application contains or is supported by reasonable assurances that (i) for not less than ten years after completion of construction, the facility will be used for the purposes of the training for which it is to be constructed, and will not be used for sectarian instruction or as a place for religious worship, (ii) sufficient funds will be available to meet the non-Federal share of the cost of constructing the facility, (iii) sufficient funds will be available, when construction is completed, for effective use of the facility for the training for which it is being constructed, and (iv) in the case of an application for a grant for construction to expand the training capacity of a training center for allied health professions, for the first full school year after the completion of the construction and for each of the nine years thereafter, the enrollment of full-time students at such center will exceed the highest enrollment of such students at such school for any of the five full school years preceding the year in which the application is made by at least 5 per centum of such highest enrollment, and the requirements of this clause (iv) shall; be in addition to the requirements of section 792(b)(2), where applicable;

(C)(i) in the case of an application for a grant for construction of a new facility, such application is for aid in the construction of a new training center for allied health professions, or construction which will expand the training capacity of an existing center, or (ii) in the case of an application for a grant for replacement or rehabilitation of existing facilities, such application is for aid in construction which will replace or rehabilitate facilities of an existing training center for allied health professions which are so obsolete as to require the center to curtail substantially either its enrollment or the quality of the training provided;

(D) the plans and specifications are in accordance with regulations relating to minimum standards of construction and equipment; and

(E) the application contains or is supported by adequate assurance that any laborer or mechanic employed by any contractor or subcontractor in the performance of work on the construction of the facility will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a-276a5). The Secretary of Labor shall have, with respect to the labor standards specified in this subparagraph (E), the authority and functions set forth in Reorganization Plan Numbered 14 of 1950. (15 F.R. 3176; 64 Stat. 1267), and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

(3) Notwithstanding paragraph (2), in the case of an affiliated hospital, an application which is approved by the training center for allied health professions with which the hospital is affiliated and which otherwise complies with the requirements of this section, may be filed by any public or other nonprofit agency qualified to file an application under section 605.

(4) In the case of any application, whether filed by a training center or, in the case of an affiliated hospital, by any other public or other nonprofit agency, for a grant under this section to assist in the construction of a facility which is a hospital or part of a hospital, as defined in section 645, only that portion of the project which the Surgeon General determines to be reasonably attributable to the need of such training center for the project for teaching purposes or in order to expand its training capacities or in order to prevent curtailment of enrollment or quality of training, as the case may be, shall be regarded as the project with respect to which payments may be made under this section.

(5) In considering applications for grants, the Surgeon General shall take into account—

(A) the extent to which the project for which the grant is sought will aid in increasing the number of training centers for allied health professions providing training in three or more of the curriculums which are specified in or pursuant to paragraph (1)(A) of section 795 and are related to each other to the extent prescribed in regulations;

(B)(i) in the case of a project for a new training center for allied health professions or for expansion of the facilities of an existing center, the relative effectiveness of the proposed facilities in expanding the capacity for the training of students in the allied health professions involved and in promoting an equitable geographical distribution of opportunities for such training (giving due consideration to population, relative unavailability of allied health professions personnel of the kinds to be trained by such center, and available resources in various areas of the Nation for training such personnel); or

(ii) in the case of a project for replacement or rehabilitation of existing facilities of a training center for allied health professions, the relative need for such replacement or rehabilitation to prevent curtailment of the center's enrollment or deterioration of the quality of the training provided by the center, and the relative size of any such curtailment and its effect on the geographical distribution of opportunities for training in the allied health professions involved (giving consideration to the factors mentioned above in subparagraph (i)); and

(C) in the case of an applicant in a State which has in existence a State or local area agency involved in planning for facilities for the training of allied health professions personnel, or which participates in a regional or other interstate agency involved in planning for such facilities, the relationship of the application to the construction or training program which is being developed by such agency or agencies and, if such agency or agencies have reviewed such application, any comment thereon submitted by them.

Amount of Construction Grant; Payments

(c)(1) The amount of any grant for a construction project under this section shall be such amount as the Surgeon General determines to be appropriate; except that (A) in the case of a grant for a project for a new training center for allied health professions, and in the case of a grant for a project for new facilities for an existing center where such facilities are of particular importance in providing a major expansion of the training capacity of such center, as determined in accordance with regulations, such amount may not exceed 66⅔ per centum of the necessary cost of construction, as determined by the Surgeon General, of such project; and (B) in the case of any other grant, such amount may not exceed 50 per centum of the necessary cost of construction, as so determined, of the project with respect to which the grant is made.

(2) Upon approval of any application for a grant under this section, the Surgeon General shall reserve, from any appropriation available therefor, the amount of such grant as determined under paragraph (1); the amount so reserved may be paid in advance or by way of reimbursement, and in such installments consistent with construction progress, as the Surgeon General may determine. The Surgeon General's reservation of any amount under this subsection may be amended by him, either upon approval of an amendment of the application or upon revision of the estimated cost of construction of the facility.

(3) In determining the amount of any grant under this section, there shall be excluded from the cost of construction an amount equal to the sum of (A) the amount of any other Federal grant which the applicant has obtained, or is assured of obtaining, with respect to the construction which is to be financed in part by the grant under this section, and (B) the amount of any non-Federal funds required to be expended as a condition of such other Federal grant.

Recapture of Payments

(d) If, within ten years after completion of any construction for which funds have been paid under this section—

(1) the applicant or other owner of the facility shall cease to be a public or nonprofit private training center for allied health professions, or

(2) the facility shall cease to be used for the training purposes for which it was constructed (unless the Surgeon General determines, in accordance with regulations, that there is good cause for releasing the applicant or other owner from the obligation to do so), or

(3) the facility is used for sectarian instruction or as a place for religious worship,

the United States shall be entitled to recover from the applicant or other owner of the facility the amount bearing the same ratio to the then value (as determined by agreement of the parties or by action brought in the United States district court for the district in which such facility is situated) of the facility, as the amount of the Federal participation bore to the cost of construction of such facility.

GRANTS TO IMPROVE THE QUALITY OF TRAINING FOR ALLIED HEALTH PROFESSIONS

Basic Improvement Grants

Sec. 792. (a) (1) There are authorized to be appropriated $15,000,000 for the fiscal year ending June 30, 1971, $15,000,000 for the fiscal year ending June 30, 1972, and $15,000,000 for the fiscal year ending June 30, 1973, for basic improvement grants under this subsection.

(2) Subject to the provisions of paragraph (3), the Surgeon General may, for each fiscal year in the period beginning July 1, 1966, and ending June 30, 1973, make to each training center for allied health professions whose application for a basic improvement grant has been approved by him a grant equal to the product obtained by multiplying $5,000 by the number of curriculums specified in or pursuant to paragraph (1)(A) of section 795 in which such center provides training during such year, plus the product obtained by multiplying $500 by the number of full-time students in such center receiving training in such curriculums.

(3) The Surgeon General shall not make a grant under this subsection to any center unless the application for such grant contains or is supported by reasonable assurances that for the first school

year beginning after the fiscal year for which such grant is made and each school year thereafter during which such a grant is made the enrollment of full-time students at such center will exceed the highest enrollment of such students in such center for any of the five school years during the period July 1, 1961, through July 1, 1966, by at least 2½ per centum of such highest enrollment, or by three students whichever is greater. The requirements of this paragraph shall be in addition to the requirements of section 791(b)(2)(B)(iv) of this Act, where applicable. The Surgeon General is authorized to waive (in whole or in part) the provisions of this paragraph if he determines that the required increase in enrollment of fulltime students in a center cannot, because of limitations of physical facilities available to the center for training, be accomplished without lowering the quality of training for such students.

Special Improvement Grants

(b) There are authorized to be appropriated $15,000,000 for the fiscal year ending June 30, 1971, $20,000,000 for the fiscal year ending June 30, 1972, and $30,000,000 for the fiscal year ending June 30, 1973, for special improvement grants to assist training centers for allied health professions in projects for the provision, maintenance, or improvement of the specialized functions which the center serves.

Special Projects for Experimentation, Demonstration, and Institutional Improvements

(c)(1) There are authorized to be appropriated $10,000,000 for the fiscal year ending June 30, 1971, $20,000,000 for the fiscal year ending June 30, 1972, and $30,000,000 for the fiscal year ending June 30, 1973, for grants and contracts for special projects under this subsection.

(2) The Secretary is authorized, from sums available therefor from appropriations made under this subsection and subsection (b), to make grants to public or non-profit private agencies, organizations, and institutions, and to enter into contracts with individuals, agencies, organizations, and institutions, for special projects related to training or retraining of allied health personnel, including—

(A) planning, establishing, demonstrating, or developing new programs, or modifying or expanding existing programs, including interdisciplinary training programs;

(B) developing, demonstrating, or establishing special programs, or adapting existing programs, to reach special groups such as returning veterans with experience in a health field, the economically or culturally deprived, or persons reentering any of the allied health fields;

(C) developing, demonstrating, or evaluating new or improved teaching methods or curriculums;

(D) developing, demonstrating, or establishing interrelationships among institutions which will facilitate the training, retraining, or utilization of allied health manpower;

(E) developing, demonstrating, or evaluating new types of health manpower;

(F) developing, demonstrating, or evaluating techniques for appropriate recognition (including equivalency and proficiency testing mechanisms) of previously acquired training or experience; and

(G) developing, demonstrating, or evaluating new or improved means of recruitment, retraining, or retention of allied health manpower.

APPLICATION FOR GRANTS

(d)(1) The Surgeon General may from time to time set dates (not earlier than in the fiscal year preceding the year for which a grant is sought) by which applications for grants under this section for any fiscal year must be filed.

(2) A grant under this section may be made only if the application therefor is approved by the Surgeon General upon his determination that—

(A) in the case of a basic or special improvement grant, it contains or is supported by assurance satisfactory to the Surgeon General that the applicant is a public or nonprofit private training center for allied health professions and will expend in carrying out its functions as such a center, during the fiscal year for which such grant is sought, an amount of funds (other than funds for construction as determined by the Surgeon General) from non-Federal sources which are at least as great as the average amount of funds expended by such applicant for such purpose in the three fiscal years immediately preceding the fiscal year for which such grant is sought;

(B) it contains such additional information as the Surgeon General may require to make the determinations required of him under this section and such assurances as he may find necessary to carry out the purposes of this section; and

(C) it provides for such fiscal control and accounting procedures and reports, and access to the records of the applicant, as the Surgeon General may require to assure proper disbursement of and accounting for Federal funds paid to the applicant under this section.

(3) In considering applications for special improvement grants under subsection (b) and for special project grants under subsection (c), the Surgeon General shall take into consideration the relative financial need of the applicant for such a grant and the relative effectiveness of the applicant's plan in carrying out the purposes of such grants, and in contributing to an equitable geographical distribution of training centers offering high quality training of allied health professions personnel.

TRAINEESHIPS FOR ADVANCED TRAINING OF ALLIED HEALTH PROFESSIONS PERSONNEL

SEC. 793. (a) There are authorized to be appropriated $1,500,000 for the fiscal year ending June 30, 1967; $2,500,000 for the fiscal year ending June 30, 1968; $3,500,000 for the fiscal year ending June 30, 1969; $5,000,000 for the fiscal year ending June 30, 1970; $8,000,000 for fiscal year ending June 30, 1971; $10,000,000 for the fiscal year ending June

30, 1972; and $12,000,000 for the fiscal year ending June 30, 1973; to cover the cost of traineeships for the training of allied health professions personnel to teach health services technicians or in any of the allied health professions, to serve in any of such professions in administrative or supervisory capacities, or to serve in allied health professions specialties determined by the Surgeon General to require advanced training.

(b) Traineeships under this section shall be awarded by the Surgeon General through grants to public or nonprofit private agencies, organizations, and institutions.

(c) Payments to public or nonprofit agencies, organizations, and institutions under this section may be made in advance or by way of reimbursement, and at such intervals and on such conditions, as the Surgeon General finds necessary. Such payments may be used only for traineeships and shall be limited to such amounts as the Surgeon General finds necessary to cover the costs of tuition and fees, and a stipend and allowances (including travel and subsistence expenses) for the trainees.

GRANTS AND CONTRACTS TO ENCOURAGE FULL UTILIZATION OF EDUCATIONAL TALENT FOR ALLIED HEALTH PROFESSIONS

SEC. 794A. (a) To assist in meeting the need for additional trained personnel in the allied health professions, the Secretary is authorized to make grants to State or local educational agencies or other public or nonprofit private agencies, institutions, and organizations, or enter into contracts without regard to section 3709 of the Revised Statutes (41 U.S.C. (5)), for the purpose of—

(1) identifying individuals of financial, educational, or cultural need with a potential for education or training in the allied health professions, including returning veterans of the Armed Forces of the United States with training or experience in the health field, and encouraging and assisting them, whenever appropriate, to (A) complete secondary school, (B) undertake such postsecondary training as may be required to qualify them for training in the allied health professions, and (C) undertake postsecondary educational training in the allied health professions, or

(2) publicizing existing sources of financial aid available to persons undertaking training or education in the allied health professions.

(b) For the purpose of carrying out the provisions of this section, there are authorized to be appropriated $750,000 for the fiscal year ending June 30, 1971; $1,000,000 for the fiscal year ending June 30, 1972; and $1,250,000 for the fiscal year ending June 30, 1973.

SCHOLARSHIP GRANTS

SEC. 794B. (a) The Secretary is authorized to make (in accordance with such regulations as he may prescribe) grants to public or nonprofit private agencies, institutions, and organizations with an established program for training or retraining of personnel in the allied health professions or occupations specified by the Secretary for (1) scholarships to be awarded by such agency, institution, or organization to students thereof, and (2) scholarships in retraining programs of such agency, institution, or organization to be awarded to allied health professions personnel in occupations for which such agency, institution, or organization determines that there is a need for the development of, or the expansion of, training.

(b) Scholarships awarded by any agency, institution, or organization from grants under subsection (a) shall be awarded for any year only to individuals of exceptional financial need who require such assistance for such year in order to pursue a course of study offered by such agency, institution, or organization.

(c) Grants under subsection (a) may be paid in advance or by way of reimbursement and at such intervals as the Secretary may deem appropriate and with appropriate adjustments on account of overpayments or underpayments previously made.

(d) Any scholarship awarded from grants under subsection (a) to any individual for any year shall cover such portion of the individual's tuition, fees, books, equipment, and living expenses as the agency, institution, or organization awarding the scholarship may determine to be needed by such individual for such year on the basis of his requirements and financial resources; except that the amount of any such scholarship shall not exceed $2,000, plus $600 for each dependent (not in excess of three) in the case of any individual who is awarded such a scholarship.

(e) The Secretary shall not approve any grant under this section unless the applicant therefor provides assurances satisfactory to the Secretary that funds made available through such grant will be so used as to supplement and, to the extent practicable, increase the level of non-Federal funds, which would in the absence of such grant, be made available for the purpose for which such grant is requested.

(f) For the purpose of carrying out the provisions of this section, there is authorized to be appropriated $4,000,000 for the fiscal year ending June 30, 1971; $5,000,000 for the fiscal year ending June 30, 1972; and $6,000,000 for the fiscal year ending June 30, 1973.

WORK-STUDY PROGRAMS

SEC. 794C. (a) The Secretary is authorized to enter into agreements with public or nonprofit private agencies, institutions, and organizations with established programs for the training or retraining of personnel in the allied health professions specified by the Secretary under which the Secretary will make grants to such agencies, institutions, and organizations to assist them in the operation of work-study programs for individuals undergoing training or retraining provided by such programs.

(b) Any agreement entered into pursuant to this section with a public or nonprofit private agency, institution, or organization shall—

(1) provide that such agency, institution, or organization will operate a work-study program for the part-time employment of its students or trainees either (A) in work for such agency, institution, or organization or (B) pursuant to arrangements between such agency, institution, or organization and another public or

private nonprofit agency, institution, or organization, in work which is in the public interest for such other agency, institution, or organization;

(2) provide that any such work-study program shall be operated in such manner that its operation will not result in the displacement of employed workers or impair existing contracts for employment;

(3) provide that any such work-study program will provide conditions of employment, for the students or trainees participating therein, which are appropriate and reasonable in light of such factors as type of work performed, prevailing wages in the area for similar work, and proficiency of the individual in the performance of the work involved;

(4) provide that no Federal funds made available to such agency, institution, or organization pursuant to such agreement shall be used for the construction, operation, or maintenance of any facility or part thereof which is used or is to be used for sectarian instruction or as a place for religious worship;

(5) provide that Federal funds made available to such agency, institution, or organization pursuant to such agreement shall be used only to make payments to its students or trainees performing work in the work-study program operated by such agency, institution, or organization; except that such agency, institution, or organization may use a portion of such funds to meet administrative expenses connected with the operation of such program, but the portion which may be so used shall not exceed 5 per centum of that part of such funds which is used for the purpose of making payments, to such students or trainees, for work performed for a public or private nonprofit agency, institution, or organization other than the agency, institution, or organization receiving such Federal funds pursuant to such agreement;

(6) provide that such agency, institution, or organization, in selecting students or trainees for employment in such work-study program, will give preference to individuals from low-income families, and that no individual will be selected for employment in such program unless he (A) is in need of the earnings from such employment in order to pursue a course of study (whether on a full-time or part-time basis) for training or retraining of personnel in the allied health professions provided by such agency, institution, or organization, (B) is capable, in the opinion of such agency, institution, or organization, of maintaining good standing in such course of study while employed under such work-study program, and (C) in the case of any individual who at the time he applies for such employment is a new student or trainee, has been accepted for enrollment in such course of study on a full-time basis or part-time and, in the case of any other individual, is enrolled in such course of study on such a basis and is maintaining good standing in such course of study;

(7) provide that such agency, institution, or organization shall, in the operation of such work-study program, provide all individuals desiring employment therein an opportunity to make application for such employment and that, to the extent that neces-

sary funds are available, all eligible applicants will be employed in such program; and

(8) include such other provisions as the Secretary may deem necessary or appropriate to carry out the purposes of this section.

(c) The Secretary shall not approve any grant under this section unless the applicant therefor provides assurances satisfactory to the Secretary that funds made available through such grant will be so used as to supplement, and to the extent practical, increase the level of non-Federal funds which would, in the absence of such grant, be made available for the purpose for which such grant is requested.

(d)(1) Funds provided through any grant made under this section shall not be used to pay more than—

(A) 90 per centum, in the case of the period commencing on the date of the enactment of this section and ending with the close of the third June 30th thereafter,

(B) 85 per centum, in the case of the one-year period which immediately succeeds the period referred to in clause (A),

(C) 80 per centum, in the case of the one-year period which immediately succeeds the period referred to in clause (B), nor

(D) 75 per centum, in the case of any period after the period referred to in clause (C),

of the costs attributable to the payment of compensation to students or trainees for employment in the work-study program with respect to which such grant is made.

(2)(A) In determining (for purposes of paragraph (1)) the amounts attributable to the payment of compensation to students or trainees for employment in any work-study program, there shall be disregarded any Federal funds (other than such funds derived from a grant under this section) used for the payment of such compensation.

(B) In determining (for purposes of paragraph (1)) the total amounts expended for the payment of compensation to students or trainees for employment in any work-study program operated by any agency, institution, or organization receiving a grant under this section, there shall be included the reasonable value of compensation provided by such agency, institution, or organization to such students or trainees in the form of services and supplies (including tuition, board, and books).

(e) For the purpose of carrying out the provisions of this section, there is authorized to be appropriated $2,000,000 for the fiscal year ending June 30, 1971, $4,000,000 for the fiscal year ending June 30, 1972, and $6,000,000 for the fiscal year ending June 30, 1973.

LOANS FOR STUDENTS OF THE HEALTH PROFESSIONS

SEC. 794D. (a)(1) The Secretary is authorized (in accordance with such regulations as he may prescribe) to enter into an agreement for the establishment and operation of a student loan fund in accordance with this section with any public or private nonprofit agency, institution, or organization which has an established program for the training or retraining of personnel in the allied health professions specified by the Secretary.

(2) Each agreement entered into under this subsection shall—

(A) provide for establishment of a student loan fund by such agency, institution, or organization for students or trainees enrolled in such program;

(B) provide for deposit in the fund of (i) the Federal capital contributions paid under this section to the agency, institution, or organization by the Secretary, (ii) an additional amount from other sources equal to not less than one-ninth of such Federal capital contributions, (iii) collections of principal and interest on loans made from the fund, (iv) collections pursuant to subsection (b)(6), and (v) any other earnings of the fund;

(C) provide that the fund shall be used only for loans to students or trainees enrolled in such program of the agency, institution, or organization in accordance with the agreement and for costs of collection of such loans and interest thereon;

(D) provide that loans may be made from such fund to students pursuing a course of study (whether full time or part time) in such program of such agency, institution, or organization and that while the agreement remains in effect no such student who is attending such program of such agency, institution, or organization shall receive a loan from a loan fund established under section 204 of the National Defense Education Act of 1958 or pursuant to part B of the title IV of the Higher Education Act of 1965; and

(E) contain such other provisions as are necessary to protect the financial interests of the United States.

(b)(1) The total of the loans for any academic year (or its equivalent, as determined under regulations of the Secretary) made by agencies, institutions, or organizations from loan funds established pursuant to agreements under this section may not exceed $1,500 in the case of any student. The aggregate of the loans for all years from such funds may not exceed $6,000 in the case of any student.

(2) Loans from any such student loan funds by any agency, institution, or organization shall be made on such terms and conditions as it may determine; subject, however, to such conditions, limitations, and requirements as the Secretary may prescribe (by regulation or in the agreement with the agency, institution, or organization) with a view to preventing impairment of the capital of such fund to the maximum extent practicable in the light of the objective of enabling the student to complete his course of study; and except that—

(A) such loan may be made only to a student who (i) is in need of the amount of the loan to pursue a part-time or full-time course of study at the agency, institution, or organization, and (ii) is capable, in the opinion of the agency, institution, or organization, of maintaining good standing in such course of study;

(B) such loan shall be repayable in equal or graduated periodic installments (with the right of the borrower to accelerate repayment) over the ten-year period which begins one year after the student ceases to pursue a part-time or full-time course of study in a program for the training or retraining of personnel in the allied health professions at an agency, institution, or organization approved by the Secretary, excluding from such ten-year period all (i) periods (up to three years) of (I) active duty performed by the borrower as a member of a uniformed service, or (II) service as a volunteer under the Peace Corps Act, and (ii) periods (up to five years) during which the borrower is pursuing a full-time course of study at a school leading to a baccalaureate or associate degree or the equivalent of either or to a higher degree in one of the allied health professions:

(C) not to exceed 50 per centum of any such loan (plus interest) shall be canceled for full-time employment in any of the allied health professions (including teaching any such profession or service as an administrator, supervisor, or specialist in any such profession) in any public or private nonprofit agency, institution, or organization, or in a rural area with an individual practitioner of medicine or dentistry if such service is approved by a local county health department or its equivalent at the rate of 10 per centum of the amount of such loan plus interest thereon, which was unpaid on the first day of such service, for each complete year of such service, except that such rate shall be 15 per centum for each complete year of service in such a profession in a public or other nonprofit hospital, other health service facility or health agency which is determined, in accordance with regulations of the Secretary, to have a substantial shortage of persons rendering service in such profession, and for purposes of any cancellation at such higher rate, an amount equal to an additional 50 per centum of the total amount of such loans plus interest may be canceled;

(D) the liability to repay the unpaid balance of such loan and accrued interest thereon shall be canceled upon the death of the borrower, or if the Secretary determines that he has become permanently and totally disabled;

(E) such a loan shall bear interest on the unpaid balance of the loan, computed only for periods during which the loan is repayable at the rate of 3 per centum per annum:

(F) such a loan shall be made without security or endorsement, except that if the borrower is a minor and the note or other evidence of obligation executed by him would not, under the applicable law, create a binding obligation, either security or endorsement may be required; and

(G) no note or other evidence of any such loan may be transferred or assigned by the agency, institution, or organization making the loan except that, if the borrower transfers to another agency, institution, or organization participating in the program under this section, such note or other evidence of a loan may be transferred to such other agency, institution, or organization.

(3) When all or any part of a loan, or interest, is canceled under this subsection, the Secretary shall pay to the agency, institution, or organization an amount equal to its proportionate share of the canceled portion, as determined by the Secretary.

(4) Any loan for any year by an agency, institution, or organization from a student loan fund established pursuant to an agreement under this section shall be made in such installments as may be provided in regulations of the Secretary or such agreement and, upon notice to the Secretary by the agency, institution, or organization that any recipient of a loan is failing to maintain satisfactory standing, any

or all further installments of his loan shall be withheld, as may be appropriate.

(5) An agreement under this section with any agency, institution, or organization shall include provisions designed to make loans from the student loan fund established thereunder reasonably available (to the extent of the available funds in such fund) to all eligible students in the agency, institution, or organization in need thereof.

(6) Subject to regulations of the Secretary, an agency, institution, or organization may assess a charge with respect to a loan from the loan fund established pursuant to an agreement under this section for failure of the borrower to pay all or any part of an installment when it is due and, in the case of a borrower who is entitled to deferment of the loan under paragraph (2)(B) or cancellation of part or all of the loan under paragraph (2)(C), for any failure to file timely and satisfactory evidence of such entitlement. The amount of any such charge may not exceed $1 for the first month or part of a month by which such installment or evidence is late and $2 for each such month or part of a month thereafter. The agency, institution, or organization may elect to add the amount of any such charge to the principal amount of the loan as of the first day after the day on which such installment or evidence was due, or to make the amount of the charge payable to the agency, institution, or organization not later than the due date of the next installment after receipt by the borrower of notice of the assessment of the charge.

(7) An agency, institution, or organization may provide, in accordance with regulations of the Secretary, that during the repayment period of a loan from a loan fund established pursuant to an agreement under this section payments of principal and interest by the borrower with respect to all the outstanding loans made to him from loan funds so established shall be at a rate equal to not less than $15 per month.

(c) There are authorized to be appropriated to the Secretary for Federal capital contributions to student loan funds pursuant to subsection (a)(2)(B)(i) $3,500,000 for the fiscal year ending June 30, 1971, $5,000,000 for the fiscal year ending June 30, 1972, and $10,000,000 for the fiscal year ending June 30, 1973, and there are also authorized to be appropriated such sums for the fiscal year ending June 30, 1974, and each of the two succeeding fiscal years as may be necessary to enable students who have received a loan from any academic year ending before July 1, 1973, to continue or complete their education. Sums appropriated pursuant to this subsection for any fiscal year shall be available to the Secretary (1) for payments into the funds established by subsection (f)(4), and (2) in accordance with agreements under this section, for Federal capital contributions to schools with which such agreements have been made, to be used together with desposits in such funds pursuant to subsection (a)(2)(B)(ii), for establishment and maintenance of student loan funds.

(d)(1) From the sums appropriated pursuant to subsection (c) for any fiscal year, the Secretary shall allot to each agency, institution, or organization, which has an established program or programs for the training or retraining of personnel in the allied health professions approved by the Secretary, an amount which bears the same ratio to the amount so appropriated as the number of persons enrolled on a full-time basis in such program or programs in such agency, institution, or organization approved by the Secretary bears to the total number of persons enrolled on a full-time basis in such programs in all such agencies, institutions, or organizations in all the States. The number of persons enrolled, in such a program, on a full-time basis in such agencies, institutions, or organizations for purposes of the subsection shall be determined by the Secretary for the most recent year for which satisfactory data are available to him. Funds available in any fiscal year for payment to agencies, institutions, or organizations under this section (whether as Federal capital contributions or as loans under subsection (f)) which are in excess of the amount appropriated pursuant to subsection (c) for that year shall be allotted among agencies, institutions, or organizations approved by the Secretary in such manner as the Secretary determines will best carry out the purposes of this section.

(2) The Secretary shall from time to time set dates by which agencies, institutions, or organizations must file applications for Federal capital contributions and for loans pursuant to subsection (f).

(3) The Federal capital contributions to a loan fund of an agency, institution, or organization approved by the Secretary under this section shall be paid from time to time in such installments as the Secretary determines will not result in unnecessary accumulations in its loan fund.

(e)(1) After June 30, 1977, and not later than September 30, 1977, there shall be a capital distribution of the balance of the loan fund established under an agreement pursuant to subsection (a)(2) by each agency, institution or organization approved by the Secretary as follows:

(A) The Secretary shall first be paid an amount which bears the same ratio to such balance in such fund at the close of June 30, 1977, as the total amount of the Federal capital contributions to such funds by the Secretary pursuant to subsection (a)(2)(B)(i) bears to the total amount in such fund derived from such Federal capital contributions from funds deposited therein pursuant to subsection (a)(2)(B)(ii).

(B) The remainder of such balance shall be paid to the agency, institution, or organization approved by the Secretary.

(2) After September 30, 1977, each agency, institution, or organization approved by the Secretary with which the Secretary has made an agreement under this section shall pay to the Secretary, not less often than quarterly, the same proportionate share of amounts received by it after June 30, 1977, in payment of principal and interest on loans made from the loan fund established pursuant to such agreement (other than so much by such fund as relates to payments from the revolving fund established by subsection (f)(4) as was determined for the Secretary under paragraph (1).

(f)(1)(A) During the fiscal year ending June 30, 1971, and each of the next two fiscal years, the Secretary may make loans, from the revolving fund established by paragraph (4), to any public or private nonprofit agency, institution, or organization approved by him, to provide all or part of the capital needed by any such agency, institution, or organization for making loans to students under this subsection (other than capital needed to make the institutional contributions required of agencies, institutions, or organizations by subsection (a)(2)(B)(ii)). Loans to students from such borrowed sums shall be subject to the terms, conditions, and limitations set forth in subsection (b). The requirement in subsection (a)(2)(B)(ii) with respect to institutional contributions by agencies, institutions, or organizations to student loan funds shall not apply to loans made to agencies, institutions, or organizations under this subsection.

(B) A loan to an agency, institution, or organization approved by the Secretary under this subsection may be made upon such terms and conditions, consistent with applicable provisions of subsection (a), as the Secretary deems appropriate. If the Secretary deems it to be necessary to assure that the purposes of this subsection will be achieved, these terms and conditions may include provisions making the obligation of the agency, institution, or organization to the Secretary on such a loan payable solely from such revenues or other assets or security (including collections on loans to students) as the Secretary may approve. Such a loan shall bear interest at a rate which the Secretary determines to be adequate to cover (i) the cost of the funds to the Treasury as determined by the Secretary of the Treasury, taking into consideration the current average yields of outstanding marketable obligations of the United States having maturities comparable to the maturities of loans made by the Secretary under this subsection, and (ii) probable losses.

(2) If an agency, institution, or organization approved by the Secretary borrows any sums under this subsection, the Secretary shall agree to pay to it (A) an amount equal to 90 per centum of the loss to it from defaults on student loans made from such sums, (B) the amount by which the interest payable by it on such sums exceeds the interest received by it on student loans made from such sums, (C) an amount equal to the amount of collection expenses authorized by subsection (a)(2)(C) to be paid out of a student loan fund with respect to such sums, and (D) the amount of the principal which is canceled pursuant to subsection (b)(2) (C) or (D) with respect to student loans made from such sums. There are authorized to be appropriated without fiscal year limitation such sums as may be necessary to carry out the purposes of this paragraph.

(3) The total of the loans made in any fiscal year under this subsection shall not exceed the lesser of (1) such limitations as may be specified in appropriation Acts, and (2) the difference between $35,000,000 and the amount of Federal capital contributions paid under this section for that year.

(4)(A) There is hereby created within the Treasury an allied professions training fund (hereinafter in this paragraph referred to as the "fund") which shall be available to the Secretary without fiscal year limitation as a revolving fund for the purposes of this subsection. A business-type budget for the fund shall be prepared, transmitted to the Congress, considered, and enacted in the manner prescribed by law (sections 102, 103, and 104 of the Government Corporation Control Act, 31 U.S.C. 847–849) for wholly owned Government corporations.

(B) The fund shall consist of appropriations paid into the fund pursuant to subsection (c), appropriations made pursuant to this paragraph, all amounts received by the Secretary as interest payments or repayments of principal on loans under this subsection, and any other moneys, property, or assets derived by him from his operations in connection with this subsection (other than paragraph (2)), including any moneys derived directly or indirectly from the sale of assets, or beneficial interest or participations in assets, of the fund.

(C) All loans, expenses (other than normal administrative expenses), and payments pursuant to operations of the Secretary under this subsection (other than paragraph (s)) shall be paid from the fund, including (but not limited to) expenses and payments of the Secretary in connection with the sale, under section 302(c) of the Federal National Mortgage Association Charter Act, of participation in obligations acquired under this subsection. From time to time, and at least at the close of each fiscal year, the Secretary shall pay from the fund into the Treasury as miscellaneous receipts interest on the cumulative amount of appropriations paid out for loans, under this subsection, less the average undisbursed cash balance in the fund during the year. The rate of such interest shall be determined by the Secretary of the Treasury, taking into consideration the average market yield during the month preceding each fiscal year on outstanding Treasury obligations of maturity comparable to the average maturity of loans made from the funds. Interest payments may be deferred with the approval of the Secretary of the Treasury, but any interest payments so deferred shall themselves bear interest. If at any time the Secretary determines that moneys in the fund exceed the present and any reasonable prospective future requirements of the funds, such excess may be transferred to the general fund of the Treasury.

(g) The Secretary may agree to modifications of agreements or loans made under this section, and may compromise, waive, or release any right, title, claim, or demand of the United States arising or acquired under this section.

DEFINITIONS

Sec. 795. For purposes of this part—

(1) The term "training center for allied health professions" means a junior college, college, or university—

(A) which provides, or can provide, programs of education leading to a baccalaureate or associate degree to the equivalent of either or to a higher degree in the medical technology, optometric technology, dental hygiene, or any of such other of the allied health professions curriculums as are specified by regulations, or which, if in a junior college provides a program (i) leading to an associate or an equivalent degree, (ii) of education in optometric technology, dental hygiene, or curriculums as are specified by regulation, and (iii) acceptable for full credit toward a baccalaureate or equivalent degree in the allied health professions or designed to prepare the student to work as a technician in a health occupation specified by regulations of the Surgeon General,

(B) which provides training for not less than a total of twenty persons in such curriculums,

(C) which, if in a college or university which does not include a teaching hospital or in a junior college, is affiliated (to the extent and in the manner determined in accordance with regulations) with such a hospital,

(D) which is (or is in a college or university, which is) accredited by a recognized body or bodies approved for such purpose by the Commissioner of Education, or which is in a junior college which is accredited by the regional accrediting agency for the region in which it is located or there is satisfactory assurance afforded by such accrediting agency to the Surgeon General that reasonable progress is being made toward accreditation by such junior college, and

(E) in the case of an applicant for a grant under section 793, which, if the college or university does not include a school of medicine, a school of osteopathy, school of optometry, or school of dentistry, as defined in paragraph (4) of section 724, as may be appropriate in the light of the training for which the grant is to be made, is affiliated (to the extent and in the manner determined in accordance with regulations) with such a school,

except that an applicant for a grant for a construction project under section 791 which does not at the time of application meet the requirement of clause (B) shall be deemed to meet such requirement if the Surgeon General finds there is reasonable assurance that the unit will meet the requirement of clause (B) prior to the beginning of the academic year following the normal graduation date of the first entering classe in such unit, or, if later, upon completion of the project for which assistance is requested and other projects (if any) under construction or planned and to be commenced within a reasonable time.

(2) The term "full-time student" means a student pursuing a full-time course of study, in one of the curriculums specified in or pursuant to paragraph (1)(A) of this section, leading to the baccalaureate or associate degree or to the equivalent of either, or to a higher degree, in a training center for allied health professions; regulations of the Surgeon General shall include provisions relating to determination of the number of students enrolled at a training center on the basis of estimates, or on the basis of the number of students enrolled in a training center in an earlier year, or on such basis as he deems appropriate for making such determination, and shall include methods of making such determinations when a training center was not in existence in an earlier year.

(3) The term "nonprofit", as applied to any training center for allied health professions or to any private agency, organization, or institution, means one which is a corporation or association, or is owned and operated by one or more corporations or associations, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(4) The term "construction" and "cost of construction" include (A) the construction of new buildings, and the acquisition, expansion, re-

modeling, replacement, and alteration of existing buildings, including architects' fees, but not including the cost of acquisition of land (except in the case of acquisition of an existing building), off-site improvements, living quarters, or patient-care facilities, and (B) equipping new buildings and existing buildings, whether or not expanded, remodeled, or altered.

(5) The term "affiliated hospital" means a hospital, as defined in section 645, which is not owned by, but is affiliated (to the extent and in the manner determined in accordance with regulations) with, one or more training centers for allied health professions.

RECORDS AND AUDITS

SEC. 796. (a) Each recipient of a grant under this part shall keep such records as the Surgeon General may prescribe, including records which fully disclose the amount and disposition by such recipient of the proceeds of such grant, the total cost of the project or undertaking in connection with which such grant is made or used, and the amount of that portion of the cost of the project or undertaking supplied by other sources, and such records as will facilitate an effective audit.

(b) The Secretary of Health, Education, and Welfare and the Comptroller General of the United States, or any of their duly authorized representatives, shall have access for the purpose of audit and examination to any books, documents, papers, and records of the recipient of any grant under this part which are pertinent to any such grant.

SEC. 797. Repealed.

STUDY

SEC. 798. (a) The Secretary shall conduct a study of the administration of—

(1) the provisions of this part,

(2) other provisions of this Act which relate to the allied health professions or the training of individuals to prepare them to engage in any of such professions; and

(3) provisions of law which are administered by the Commissioner of Education and which relate to the allied health professions or the training of individuals to prepare them to engage in any of such professions;

with a view to determining the adequacy of such provisions and the programs established pursuant thereto to meet the needs of the Nation for allied health professions personnel.

ADVANCE FUNDING

SEC. 799. Any appropriation Act which appropriates funds for any fiscal year for grants, contracts, or other payments under this part may also appropriate for the next fiscal year the funds that are authorized to be appropriated for such payments for such next fiscal year; but no funds may be made available therefrom for obligation for such payments before the fiscal year for which such funds are authorized to be appropriated.

LICENSURE REPORT

Sec. 799A. The Secretary shall prepare and submit to the Congress, prior to July 1, 1971, a report identifying the major problems associated with licensure, certification, and other qualifications for practice or employment of health personnel (including group practice of health personnel), together with summaries of the activities (if any) of Federal agencies, professional organizations, or other instrumentalities directed toward the alleviation of such problems and toward maximizing the proper and efficient utilization of health personnel in meeting the health needs of the Nation. Such report shall include specific recommendations by the Secretary for steps to be taken toward the solution of the problems so identified in such report.

TITLE VIII—NURSE TRAINING

Part A—Grants for Expansion and Improvement of Nurse Training

AUTHORIZATION OF APPROPRIATIONS FOR CONSTRUCTION GRANTS

Sec. 801. (a) There are authorized to be appropriated, for grants to assist in the construction of new facilities for collegiate, associate degree, or diploma schools of nursing, or replacement or rehabilitation of existing facilities for such schools, $25,000,000 for the fiscal year ending June 30, 1970, and $35,000,000 for the fiscal year ending June 30, 1971.

(b) Sums appropriated pursuant to subsection (a) for a fiscal year shall remain available for obligation through the close of the next fiscal year.

APPROVAL OF APPLICATIONS FOR CONSTRUCTION GRANTS

Sec. 802. (a) No application for a grant for a construction project under this part may be approved unless it is submitted to the Surgeon General prior to July 1, 1970.

(b) A grant for a construction project under this part may be made only if the application therefor is approved by the Surgeon General upon his determination that—

(1) the applicant is a public or nonprofit private school of nursing providing an accredited program of nursing education;

(2) the application contains or is supported by reasonable assurances that (A) for not less than twenty years after completion of construction, the facility will be used for the purposes of the training for which it is to be constructed, and will not be used for sectarian instruction or as a place for religious worship, (B) sufficient funds will be available to meet the non-Federal share of the cost of constructing the facility, (C) sufficient funds will be available, when construction is completed, for effective use of the facility for the training for which it is being constructed, and (D) in the case of an application for a grant for construction to expand the training capacity of a school of nursing, the first-year enrollment at such school during the first full school year after the completion of the construction and for each of the nine years

thereafter will exceed the highest first-year enrollment at such school for any of the five full school years preceding the year in which the application is made by at least 5 per centum of such highest first-year enrollment, or by five students, whichever is greater;

(3) (A) in the case of an application for a grant for construction of a new facility, such application is for aid in the construction of a new school of nursing, or construction which will expand the training capacity of an existing school of nursing, or (B) in the case of an application for a grant for replacement or rehabilitation of existing facilities, such application is for aid in construction which will replace or rehabilitate facilities of an existing school of nursing which are so obsolete as to require the school to curtail substantially either its enrollment or the quality of the training provided;

(4) the plans and specifications are in accordance with regulations relating to minimum standards of construction and equipment; and

(5) the application contains or is supported by adequate assurance that any laborer or mechanic employed by any contractor or subcontractor in the performance of work on the construction of the facility will be paid wages at rates not less than those prevailing on similar construction in the locality as determined by the Secretary of Labor in accordance with the Davis-Bacon Act, as amended (40 U.S.C. 276a–276a5). The Secretary of Labor shall have, with respect to the labor standards specified in this paragraph, the authority and functions set forth in Reorganization Plan Numbered 14 of 1950 (15 F.R. 3176; 64 Stat. 1267), and section 2 of the Act of June 13, 1934, as amended (40 U.S.C. 276c).

Before approving or disapproving an application for a construction project under this part, the Surgeon General shall secure the advice of the National Advisory Council on Nurse Training established by section 841 (hereinafter in this part referred to as the "Council").

(c) In considering applications for grants, the Council and the Surgeon General shall take into account—

(1) (A) in the case of the project for a new school or the expansion of the facilities of an existing school, the relative effectiveness of the proposed facilities in expanding the capacity for the training of first-year students of nursing in the field involved and in promoting an equitable geographical distribution of opportunities for such training (giving due consideration to population, relative unavailability of nurses of the kind to be trained by such school, and available resources in various areas of the Nation for training such nurses); or

(B) in the case of a project for replacement or rehabilitation of existing facilities of a school, the relative need for such replacement or rehabilitation to prevent curtailment of the school's enrollment or deterioration of the quality of the training provided by the school, and the relative size of any such curtailment and its effect on the geographical distribution of opportunities for training in the field of nursing involved (giving consideration to the factors mentioned above in paragraph (A)); and

(2) in the case of an applicant in a State which has in existence a State or local area agency involved with planning for nurse

training facilities, or which participates in a regional or other interstate agency involved with planning for nurse training facilities, the relationship of the application to the construction or training program which is being developed by such agency or agencies and, if such agency or agencies have reviewed such application, any comment thereon submitted by them.

AMOUNT OF CONSTRUCTION GRANT; PAYMENTS

SEC. 803. (a) The amount of any grant for a construction project under this part shall be such amount as the Surgeon General determines to be appropriate after obtaining the advice of the Council; except that (A) in the case of a grant for a new school, and in the case of a grant for a project for new facilities for an existing school in cases where such facilities are of particular importance in providing a major expansion of training capacity, as determined in accordance with regulations, such amount may not exceed 66⅔ per centum of the necessary cost of construction, as determined by the Surgeon General, of such project; and (B) in the case of any other grant, such amount may not, except where the Secretary determines that unusual circumstances make a larger percentage (which may in no case exceed 66⅔ per centum) necessary in order to effectuate the purposes of this part, exceed 50 per centum of the necessary cost of construction, as so determined, of the project with respect to which the grant is made.

(b) Upon approval of any application for a grant for a construction project under this part, the Surgeon General shall reserve, from any appropriation available therefor, the amount of such grant as determined under subsection (a); the amount so reserved may be paid in advance or by way of reimbursement, and in such installments consistent with construction progress, as the Surgeon General may determine. The Surgeon General's reservation of any amount under this section may be amended by him, either upon approval of an amendment of the application or upon revision of the estimated cost of construction of the facility.

(c) In determining the amount of any such grant under this part, there shall be excluded from the cost of construction an amount equal to the sum of (1) the amount of any other Federal grant which the applicant has obtained, or is assured of obtaining, with respect to the construction which is to be financed in part by grants authorized under this part, and (2) the amount of any non-Federal funds required to be expended as a condition of such other Federal grant.

RECAPTURE OF PAYMENTS

SEC. 804. If, within twenty years after completion of any construction for which funds have been paid under this part—

(a) the applicant or other owner of the facility shall cease to be a public or nonprofit private school, or

(b) the facility shall cease to be used for the training purposes for which it was constructed (unless the Surgeon General determines, in accordance with regulations, that there is good cause for releasing the applicant or other owner from the obligation to do so), or

(c) the facility is used for sectarian instruction or as a place for religious worship, the United States shall be entitled to recover from the applicant or other owner of the facility the amount bearing the same ratio to the then value (as determined by agreement of the parties or by action brought in the United States district court for the district in which such facility is situated) of the facility, as the amount of the Federal participation bore to the cost of construction of such facility.

IMPROVEMENT IN NURSE TRAINING

SEC. 805. (a) From the sums available therefor from appropriations under section 808 for the fiscal year ending June 30, 1970, and the next fiscal year, grants may be made to assist any public or nonprofit private agency, organization, or institution to meet the cost of special projects to plan, develop, or establish new programs or modifications of existing programs of nursing education or to effect significant improvements in curriculums of schools of nursing or for research in the various fields of nursing education, or to assist schools of nursing which are in serious financial straits to meet their costs of operation or to assist schools of nursing which have special need for financial assistance to meet accreditation requirements, or to assist in otherwise strengthening, improving, or expanding programs of nursing education, or to assist any such agency, organization, or institution to meet the costs of other special projects which will help to increase the supply of adequately trained nursing personnel needed to meet the health needs of the Nation.

(b) In determining priority of projects for which applications are filed under subsection (a), the Secretary shall give priority in the following order:

(1) the relative need of the applicant (if a school of nursing) for financial assistance to continue in operation or avoid curtailing enrollment or reduction in the quality of training provided;

(2) the special need of the applicant for financial assistance in connection with its merger with a school of nursing;

(3) the relative need of the applicant for financial assistance to maintain or provide for accreditation as a school of nursing; and

(4) the extent to which the project will increase enrollment of full-time students receiving nursing training.

INSTITUTIONAL GRANTS

SEC. 806. (a) The sums available for grants under this section from appropriations under section 808 for the fiscal year ending June 30, 1970, and the next fiscal year shall be distributed to the schools with approved applications as follows: Each school shall receive $15,000; and of the remainder—

(A) 75 percentum shall be distributed on the basis of—

(i) the relative enrollment of full-time students for such year, and

(ii) the relative increase in enrollment of such students for such year over the average enrollment of such school for the five school years preceding the year for which the application is made;

with the amount per full-time student so computed that a school receives twice as much for each such student in the increase as for other full-time students, and

(B) 25 per centum shall be distributed on the basis of the relative number of graduates for such year.

In computing the increase under clause (A)(ii) of the preceding sentence for any school, there shall be excluded a number equal to the increase required by subsection (b) (except in the case of a school to which the third sentence of such subsection applies).

(b) The Secretary shall not make a grant under this section to any school from any appropriation for a fiscal year ending after June 30, 1970, unless the application for such grant contains or is supported by reasonable assurances that for the first school year beginning after the fiscal year for which such grant is made and each school year thereafter during which such a grant is made the first-year enrollment of full-time students in such school will exceed the average of the first-year enrollment of such students in such school for the two school years having the highest such enrollment during the five school years during the period of July 1, 1963, through June 30, 1968, by at least 2½ per centum of such average first-year enrollment, or by five students, whichever is greater. The requirements of this subsection shall be in addition to the requirements of section 802(b)(2)(D) of this Act, where applicable. The Secretary is authorized to waive (in whole or in part) the provisions of this subsection if he determines, after consultation with the National Advisory Council on Nurse Training, that the required increase in first-year enrollment of full-time students in a school cannot, because of limitations of physical facilities available to the school for training, be accomplished without lowering the quality of training provided therein.

(c)(1) For the purposes of this part and part D, regulations of the Secretary shall include provisions relating to determination of the number of students enrolled in a school, or in a particular year-class in a school, or the number of graduates from a school, as the case may be, on the basis of estimates, or on the basis of the number of students who were enrolled in a school, or in particular year-class in a school, or were graduates from a school in earlier years, as the case may be, or on such basis as he deems appropriate for making such determinations, and shall include methods of making such determination when a school or a year-class was not in existence in an earlier year at a school.

(2) For purposes of this part and part D, the term "full-time students" (whether such term is used by itself or in connection with a particular year-class) means students pursuing a full-time course of study in an accredited program in a school of nursing.

APPLICATIONS FOR GRANTS

SEC. 807. (a) The Secretary may from time to time set dates (not earlier than in the fiscal year preceding the year for which a grant is sought) by which applications under section 805 or 806 for any fiscal year must be filed.

(b) The Secretary shall not approve or disapprove any application for a grant under this part except after consultation with the National Advisory Council on Nurse Training.

(c) A grant under section 805 or 806 may be made only if the application therefor—

(1) is from a public or nonprofit private school of nursing, or, in the case of grants under section 805, a public or nonprofit private agency, organization, or institution;

(2) contains or is supported by assurances satisfactory to the Secretary that the applicant will expend in carrying out its functions as a school of nursing, during the fiscal year for which such grant is sought, an amount of funds (other than funds for construction as determined by the Secretary) from non-Federal sources which are at least as great as the average amount of funds expended by such applicant for such purpose (excluding expenditures of a nonrecurring nature) in the three fiscal years immediately preceding the fiscal year for which such grant is sought;

(3) contains such additional information as the Secretary may require to make the determinations required of him under this part and such assurances as he may find necessary to carry out the purposes of this part; and

(4) provides for such fiscal control and accounting procedures and reports, and access to the records of the applicant, as the Secretary may require to assure proper disbursement of and accounting for Federal funds paid to the applicant under this part.

AUTHORIZATION FOR APPROPRIATIONS

SEC. 808. (a) There are authorized to be appropriated $35,000,000 for the fiscal year ending June 30, 1970, and $40,000,000 for the fiscal year ending June 30, 1971, for improvement grants under section 805 and institutional grants under section 806.

(b) Of the sums appropriated under subsection (a) of this section $15,000,000 shall be available for each of the fiscal years ending June 30, 1970, and June 30, 1971, for grants under section 805.

PART B—ASSISTANCE TO NURSING STUDENTS

TRAINEESHIPS FOR ADVANCED TRAINING OF PROFESSIONAL NURSES

SEC. 821. (a) There are authorized to be appropriated $8,000,000 for the fiscal year ending June 30, 1965, $9,000,000 for the fiscal year ending June 30, 1966, $10,000,000 for the fiscal year ending June 30, 1967, $11,000,000 for the fiscal year ending June 30, 1968, $12,000,000, for the fiscal year ending June 30, 1969, $15,000,000 for the fiscal year ending June 30, 1970, and $19,000,000 for the fiscal year ending June 30, 1971, to cover the cost of traineeships for the training of professional nurses to teach in the various fields of nurse training (including practical nurse training), to serve in administrative or supervisory capacities, or to serve in other professional nursing specialties determined by the Surgeon General to require advance training.

(b) Traineeships under this section shall be awarded by the Surgeon General through grants to public or nonprofit private institutions providing the training.

(c) Payments to institutions under this section may be made in advance or by way of reimbursement, and at such intervals and on such conditions, as the Surgeon General finds necessary. Such payments may be used only for traineeships and shall be limited to such amounts as the Surgeon General finds necessary to cover the costs of tuition and fees, and a stipend and allowance (including travel and subsistence expenses) for the trainees.

LOAN AGREEMENTS

Sec. 822. (a) The Secretary of Health, Education, and Welfare is authorized to enter into an agreement for the establishment and operation of a student loan fund in accordance with this part with any public or nonprofit private school of nursing which is located in a State.

(b) Each agreement entered into under this section shall—

(1) provide for establishment of a student loan fund by the school;

(2) provide for deposit in the fund, except as provided in section 829, of (A) the Federal capital contributions paid under this part to the school by the Secretary, (B) an additional amount from other sources equal to not less than one-ninth of such Federal capital contributions, (C) collections of principal and interest on loans made from the fund, (D) collections pursuant to section 823(f), and (E) any other earnings of the fund;

(3) provide that the fund, except as provided in section 829, shall be used only for loans to students of the school in accordance with the agreement and for costs of collection of such loans and interest thereon;

(4) provide that loans may be made from such fund only to students pursuing a full-time course of study at the school leading to a baccalaureate or associate degree in nursing or an equivalent degree or a diploma in nursing, or to a graduate degree in nursing, and that while the agreement remains in effect no such student who has attended such school before July 1, 1971, shall receive a loan from a loan fund established under section 204 of the National Defense Education Act of 1958; and

(5) contain such other provisions as are necessary to protect the financial interests of the United States.

LOAN PROVISIONS

Sec. 823. (a) The total of the loans for any academic year (or its equivalent, as determined under regulations of the Secretary) made by schools of nursing from loan funds stablished pursuant to agreements under this part may not exceed $1,500 in the case of any student. The aggregate of the loans for all years from such funds may not exceed $6,000 in the case of any student. In the granting of such loans, a school shall give preference to licensed practical nurses and to persons who enter as first-year students after enactment of this title.

(b) Loans from any such student loan fund by any school shall be made on such terms and conditions as the school may determine; subject, however, to such conditions, limitations, and requirements as the Secretary of Health, Education, and Welfare may prescribe (by regulation or in the agreement with the school) with a view to preventing impairment of the capital of such fund to the maximum extent practicable in the light of the objective of enabling the student to complete his course of study; and except that—

(1) such a loan may be made only to a student who (A) is in need of the amount of the loan to pursue a full-time course of study at the school leading to a baccalaureate or associate degree in nursing or an equivalent degree, or a diploma in nursing, or a graduate degree in nursing, and (B) is capable, in the opinion of the school, of maintaining good standing in such course of study;

(2) such a loan shall be repayable in equal or graduated periodic installments (with the right of the borrower to accelerate repayment) over the ten-year period which begins nine months after the student ceases to pursue a full-time course of study at a school of nursing, excluding from such 10-year period all (A) periods (up to three years) of (i) active duty performed by the borrower as a member of a uniformed service, or (ii) service as a volunteer under the Peace Corps Act, and (B) periods (up to five years) during which the borrower is pursuing a full-time course of study at a collegiate school of nursing leading to baccalaureate degree in nursing or an equivalent degree, or to graduate degree in nursing, or is otherwise pursuing advanced professional training in nursing;

(3) not to exceed 50 per centum of any such loan (plus interest) shall be cancelled for full-time employment as a professional nurse (including teaching in any of the fields of nurse training and service as an administrator, supervisor, or consultant in any of the fields of nursing) in any public or nonprofit private institution or agency, at the rate of 10 per centum of the amount of such loan plus interest thereon, which was unpaid on the first day of such service, for each complete year of such service, except that such rate shall be 15 per centum for each complete year of service as such a nurse in a public or other nonprofit hospital in any area which is determined, in accordance with regulations of the Secretary, to be an area which has a substantial shortage of such nurses at such hospitals, and for the purpose of any cancellation at such higher rate, an amount equal to an additional 50 per centum of the total amount of such loans plus interest may be canceled;

(4) the liability to repay the unpaid balance of such loan and accrued interest thereon shall be canceled upon the death of the borrower, or if the Secretary determines that he has become permanently and totally disabled;

(5) such a loan shall bear interest on the unpaid balance of the loan, computed only for periods during which the loan is repayable, at the rate of 3 per centum per annum;

(6) such a loan shall be made without security or endorsement, except that if the borrower is a minor and the note or other evidence of obligation executed by him would not, under the applicable law, create a binding obligation, either security or endorsement may be required;

(7) no note or other evidence of any such loan may be transferred or assigned by the school making the loan except that, if

the borrower transfers to another school participating in the program under this part, such note or other evidence of a loan may be transferred to such other school.

(c) Where all or any part of a loan, or interest, is canceled under this section, the Secretary of Health, Education, and Welfare shall pay to the school an amount equal to the school's proportionate share of the canceled portion, as determined by the Secretary.

(d) Any loan for any year by a school from a student loan fund established pursuant to an agreement under this part shall be made in such installments as may be provided in regulations of the Secretary or such agreement and, upon notice to the Secretary by the school that any recipient of a loan is failing to maintain satisfactory standing, any or all further installments of his loan shall be withheld, as may be appropriate.

(e) An agreement under this part with any school shall include provisions designed to make loans from the student loan fund established thereunder reasonably available (to the extent of the available funds in such fund) to all eligible students in the school in need thereof.

(f) Subject to regulations of the Secretary, a school may assess a charge with respect to a loan from the loan fund established pursuant to an agreement under this part for failure of the borrower to pay all or any part of an installment when it is due and, in the case of a borrower who is entitled to deferment of the loan under subsection (b)(2) or cancellation of part or all of the loan under subsection (b)(3), for any failure to file timely and satisfactory evidence of such entitlement. The amount of any such charge may not exceed $1 for the first month or part of a month by which such installment or evidence is late and $2 for each such month or part of a month thereafter. The school may elect to add the amount of any such charge to the principal amount of the loan as of the first day after the day on which such installment or evidence was due, or to make the amount of the charge payable to the school not later than the due date of the next installment after receipt by the borrower of notice of the assessment of the charge.

(g) A school may provide in accordance with regulations of the Secretary, that during the repayment period of a loan from a loan fund established pursuant to an agreement under this part payments of principal and interest by the borrower with respect to all the outstanding loans made to him from loan funds so established shall be at a rate equal to not less than $15 per month.

AUTHORIZATION OF APPROPRIATIONS FOR LOANS

SEC. 824. There are authorized to be appropriated to the Secretary of Health, Education, and Welfare for Federal capital contributions to student loan funds pursuant to section 822(b)(2)(A) $3,100,000 for the fiscal year ending June 30, 1965, $8,900,000 for the fiscal year ending June 30, 1966, $16,800,000 for the fiscal year ending June 30, 1967, $25,300,000 for the fiscal year ending June 30, 1968, $30,900,000 for the fiscal year ending June 30, 1969, $20,000,000 for the fiscal year ending June 30, 1970, and $21,000,000 for the fiscal year ending June 30, 1971, and such sums for the fiscal year ending June 30, 1972, and each of the two succeeding fiscal years as may be necessary to enable students who have received a loan for any academic year ending before July 1, 1971, to continue or complete their education. Sums appropriated pursuant to this section for the fiscal year ending June 30, 1967, or any subsequent fiscal year shall be available to the Secretary (1) for payments into the fund established by section 827(d), and (2) in accordance with agreements under this part, for Federal capital contributions to schools with which such agreements have been made, to be used, together with deposits in such funds pursuant to section 822 (b)(2)(B), for establishment and maintenance of student loan funds, and (3) for transfers pursuant to section 829.

ALLOTMENTS AND PAYMENTS OF FEDERAL CAPITAL CONTRIBUTIONS

SEC. 825. (a) From the sums appropriated pursuant to section 824 for any fiscal year, the Secretary shall allot to each school an amount which bears the same ratio to the amount so appropriated as the number of persons enrolled on a full-time basis in such school bears to the total number of persons enrolled on a full-time basis in all schools of nursing in all the States. The number of persons enrolled on a full-time basis in schools of nursing for purposes of this section shall be determined by the Secretary for the most recent year for which satisfactory data are available to him. For purposes of allotments under this section, a school of nursing also includes any school with which the Secretary has, prior to the time the allotment is made, entered into an agreement for establishment of a student loan fund under this part. Funds available in any fiscal year for payment to schools under this part (whether as Federal capital contributions or as loans to schools under section 827) which are in excess of the amount appropriated pursuant to section 824 for that year shall be allotted among States and among schools within States in such manner as the Secretary determines will best carry out the purposes of this part.

(b)(1) The Secretary shall from time to time set dates by which schools of nursing in a State must file applications for Federal capital contributions, and for loans pursuant to section 827, from the allotment of such State under the first two sentences of subsection (a) of this section.

(2) If the total of the amounts requested for any fiscal year in such applications which are made by schools in a State exceeds the amount of the allotment of such State for that fiscal year, the amounts to be paid to the loan fund to each such school shall be reduced to whichever of the following is the smaller: (A) the amount requested in its applicatoin or (B) an amount which bears the same ratio to the amount of the allotment of such State as the number of students who will be enrolled full time in such school during such fiscal year bears to the total number of students who will be enrolled full time in all such schools in such State during such year. Amounts remaining after allotment under the preceding sentence shall be redistributed in accordance with clause (B) of such sentence among schools which in their applications requested more than the amounts so paid to their loan funds, but with such adjustments as may be necessary to prevent the total paid to any such school's loan fund from exceeding

the total so requested by it. If the total of the amounts requested for any fiscal year in such applications which are made by schools in a State is less than the amount of the allotment of such State for that year, the Secretary may reallot the remaining amount from time to time, on such date or dates as he may fix, to other States in proportion to the original allotments to such States under subsection (a) for such year. For the purpose of this section, the number of students who graduated from secondary schools in each State during a fiscal year and the number of students who will be enrolled full time in schools of nursing in each State shall be estimated by the Secretary of Health, Education, and Welfare on the basis of the best information available to him; and in making such estimates, the number of students enrolled full time in any collegiate school of nursing shall be deemed to be twice their actual number.

(c) The Federal capital contributions to a loan fund of a school under this part shall be paid to it from time to time in such installments as the Secretary determines will not result in unnecessary accumulations in the loan fund at such school.

DISTRIBUTION OF ASSETS FROM LOAN FUNDS

SEC. 826. (a) After June 30, 1974, and not later than September 30, 1974, there shall be a capital distribution of the balance of the loan fund established under an agreement pursuant to section 822(b) by each school as follows:

(1) The Secretary of Health, Education, and Welfare shall first be paid an amount which bears the same ratio to such balance in such fund at the close of June 30, 1974, as the total amount of the Federal capital contributions to such fund by the Secretary pursuant to section 822(b)(2)(A) bears to the total amount in such fund derived from such Federal capital contributions and from funds deposited therein pursuant to section 822(b)(2)(B).

(2) The remainder of such balance shall be paid to the school.

(b) After September 30, 1974, each school with which the Secretary has made an agreement under this part shall pay to the Secretary, not less often than quarterly, the same proportionate share of amounts received by the school after June 30, 1974, in payment of principal or interest on loans made from the loan fund established pursuant to such agreement (other than so much of such fund as related to payments from the revolving fund established by section 827(d)) as was determined for the Secretary under subsection (a).

LOANS TO SCHOOLS

SEC. 827. (a)(1) During the fiscal years ending June 30, 1967, and June 30, 1968, and each of the next three fiscal years, the Secretary may make loans, from the revolving fund established by subsection (d), to any public or nonprofit private school of nursing which is located in a State, to provide all or part of the capital needed by any such school for making loans to students under this section (other than capital needed to make the institutional contributions required of schools by section 822(b)(2)(B)). Loans to students from such borrowed sums shall be subject to the terms, conditions, and limitations set forth in section 823. The requirement in section 822(b)(2)(B) with respect to institutional contributions by schools to student loan funds shall not apply to loans made to schools under this section.

(2) A loan to a school under this section may be upon such terms and conditions, consistent with applicable provisions of section 822, as the Secretary deems appropriate. If the Secretary deems it to be necessary to assure that the purposes of this section will be achieved, these terms and conditions may include provisions making the school's obligation to the Secretary on such a loan payable solely from such revenues or other assets or security (including collections on loans to students) as the Secretary may approve. Such a loan shall bear interest at a rate which the Secretary determines to be adequate to cover (A) the cost of the funds to the Treasury as determined by the Secretary of the Treasury, taking into consideration the current average yields of outstanding marketable obligations of the United States having maturities comparable to the maturities of loans made by the Secretary under this section, and (B) probable losses.

PAYMENTS TO SCHOOLS TO COVER CERTAIN COSTS INCURRED IN MAKING STUDENT LOANS FROM BORROWED FUNDS

(b) If a school of nursing borrows any sums under this section, the Secretary shall agree to pay to the school (1) an amount equal to 90 per centum of the loss to the school from defaults on student loans made from such sums, (2) the amount by which the interest payable by the school on such sums exceeds the interest received by it on student loans made from such sums, (3) an amount equal to the amount of collection expenses authorized by section 822(b)(3) to be paid out of a student loan fund with respect to such sums and (4) the amount of principal which is cancelled pursuant to section 823(b)(3) or (4) with respect to student loans made from such sums. There are authorized to be appropriated without fiscal-year limitation such sums as may be necessary to carry out the purposes of this subsection.

LIMITATION ON LOANS

(c) The total of the loans made in any fiscal year under this section shall not exceed the lesser of (1) such limitations as may be specified in appropriation Acts, and (2) the difference between $35,000,000 and the amount of Federal capital contributions paid under this title for that year.

REVOLVING FUND

(d)(1) There is hereby created within the Treasury a nurse training fund (hereinafter in this section called "the fund") which shall be available to the Secretary without fiscal-year limitation as a revolving fund for the purposes of this section. A business-type budget for the fund shall be prepared, transmitted to the Congress, considered, and enacted in the manner prescribed by law (sections 102, 103, and 104 of the Government Corporation Control Act, 31 U.S.C. 847–849) for wholly owned Government corporations.

(2) The fund shall consist of appropriations paid into the fund pursuant to section 824, appropriations made pursuant to this subsection, all amounts received by the Secretary as interest payments or repayments of principal on loans under this section, and any other moneys, property, or assets derived by him from his operations in connection with this section (other than subsection (b)), including any moneys derived directly or indirectly from the sale of assets, or beneficial interests or participations in assets, of the fund.

(3) All loans, expenses (other than normal administrative expenses), and payments pursuant to operations of the Secretary under this section (other than subsection (b)) shall be paid from the fund, including (but not limited to) expenses and payments of the Secretary in connection with the sale, under section 302(c) of the Federal National Mortgage Association Charter Act, of participations in obligations acquired under this section. From time to time, and at least at the close of each fiscal year, the Secretary shall pay from the fund into the Treasury as miscellaneous receipts interest on the cumulative amount of appropriations paid out for loans under this section, less the average undisbursed cash balance in the fund during the year. The rate of such interest shall be determined by the Secretary of the Treasury, taking into consideration the average market yield during the month preceding each fiscal year on outstanding Treasury obligations of maturity comparable to the average maturity of loans made from the fund. Interest payments may be deferred with approval of the Secretary of the Treasury, but any interest payments so deferred shall themselves bear interest. If at any time the Secretary determines that moneys in the fund exceed the present and any reasonably prospective future requirements of the fund, such excess may be transferred to the general fund of the Treasury.

(4) In addition to the sums authorized to be appropriated by section 824, there are authorized to be appropriated to the fund established by this subsection $2,000,000 for the fiscal year ending June 30, 1967.

ADMINISTRATIVE PROVISIONS

SEC. 828. The Secretary may agree to modifications of agreements or loans made under this part, and may compromise, waive, or release any right, title, claim, or demand of the United States arising or acquired under this part.

TRANSFERS TO SCHOLARSHIP PROGRAM

SEC. 829. Not to exceed 20 per centum of the amount paid to a school from the appropriation for any fiscal year for Federal capital contributions under an agreement under this part, or such larger percentage thereof as the Secretary may approve, may be transferred to the sums available to the school under part D to be used for the same purpose as such sums. In the case of any such transfer, the amount of any funds which the school deposited in its student loan fund pursuant to section 822(b)(2)(B) with respect to the amount so transferred may be withdrawn by the school from such fund.

PART C—GENERAL

NATIONAL ADVISORY COUNCIL ON NURSE TRAINING; REVIEW COMMITTEE

SEC. 841. (a)(1) There is hereby established a National Advisory Council on Nurse Training, consisting of the Surgeon General, who shall be Chairman, and the Commissioner of Education, both of whom shall be ex officio members, and sixteen members appointed by the Secretary without regard to the civil service laws. Four of the appointed members shall be selected from the general public and twelve shall be selected from among leading authorities in the various fields of nursing, higher, and secondary education, and from representatives of hospitals and other institutions and organizations which provide nursing services.

(2) The Council shall advise the Surgeon General in the preparation of general regulations and with respect to policy matters arising in the administration of this title, and in the review of applications for construction projects under part A of applications under section 805.

(b) The Secretary of Health, Education, and Welfare shall, prior to July 1, 1967, and without regard to the civil service laws, appoint a committee, consisting of members of the public, of various groups particularly interested in or expert in matters relating to education of various types of nurses, for the purpose of reviewing the programs authorized by this title and making recommendations with respect to continuation, extension, and modification of any of such programs. A report of the findings and recommendations of such committee shall be submitted to the Secretary not later than November 1, 1967, after which date such committee shall cease to exist. The Secretary shall submit such report, together with his comments and recommendations thereon to the Congress on or before January 1, 1968.

NONINTERFERENCE WITH ADMINISTRATION OF INSTITUTIONS

SEC. 842. Nothing contained in this title shall be construed as authorizing any department, agency, officer, or employee of the United States to exercise any direction, supervision, or control over, or impose any requirement or condition with respect to, the personnel, curriculum, methods of instruction, or administration of any institution.

DEFINITIONS

SEC. 843. For purposes of this title—

(a) the term "State" means a State, the Commonwealth of Puerto Rico, the District of Columbia, the Canal Zone, Guam, American Samoa, the Virgin Islands, or the Trust Territory of the Pacific Islands.

(b) the term "school of nursing" means a collegiate, associate degree, or diploma school of nursing.

(c) the term "collegiate school of nursing" means a department, division, or other administrative unit in a college or university which provides primarily or exclusively a program of education in professional nursing and allied subjects leading to the degree of bachelor of arts, bachelor of science, bachelor of nursing, or to an equivalent degree, or to a graduate degree in nursing, and including advanced training related to such program of education provided by such school, but only if such program, or such unit, college or university is accredited.

(d) the term "associate degree school of nursing" means a department, division, or other administrative unit in a junior college, community college, college, or university which provides primarily or exclusively a two-year program of education in professional nursing and allied subjects leading to an associate degree in nursing or to an equivalent degree, but only if such program, or such unit, college, or university is accredited.

(e) the term "diploma school of nursing" means a school affiliated with a hospital or university, or an independent school, which provides primarily or exclusively a program of education in professional nursing and allied subjects leading to a diploma or to equivalent indicia that such program has been satisfactorily completed, but only if such program, or such affiliated school or such hospital or university or such independent school is accredited.

(f) the term "accredited" when applied to any program of nurse education means a program accredited by a recognized body or bodies, or by a State agency, approved for such purpose by the Commissioner of Education and when applied to a hospital, school, college, or university (or a unit thereof) means a hospital, school, college, or university (or a unit thereof) which is accrediated by a recognized body or bodies, or by a State agency, approved for such purpose by the Commissioner of Education, except that a program, or a hospital, school, college, or university (or unit thereof), which is not, at the time of the application under this title, eligible for accreditation by such a recognized body or bodies or State agency, shall be deemed accredited for purposes of this title in the following cases if the Commissioner of Education finds, after consultation with the appropriate accreditation body or bodies, that there is reasonable assurance that the program, or the hospital, school, college, or university (or unit thereof), will meet the accreditation standards of such body or bodies (1) in the case of an applicant under part A for a grant for a project for construction of a new school (which shall include a school that has not had a sufficient period of operation to be eligible for accreditation), (A) upon completion of such project and other construction projects (if any) then under construction or planned and to be commenced within a reasonable time, or (B) if later, then prior to the beginning of the first academic year following the normal graduation date of the first entering class in such school; (2) in the case of a school applying for a grant under section 806 for any fiscal year, prior to the beginning of the first academic year following the normal graduation date of the class which is the entering class for such fiscal year (or is the first such class in such year if there is more than one); and (3) in the case of a school seeking an agreement under part B for establishment of a student loan fund, prior to the beginning of the academic year following the normal graduation date of students who are in their first year of instruction at such school during the fiscal year in which the agreement with such school is made under part B; except that the provisions of this clause (3) shall not apply for purposes of section 825.

For the purpose of this paragraph, the Commissioner of Education shall publish a list of recognized accrediting bodies, and of State agencies, which he determines to be reliable authority as to the quality of training offered.

(g) The term "nonprofit" as applied to any school, agency, organization, or institution means one which is a corporation or association, or is owned and operated by one or more corporations or associations, no part of the net earnings of which inures, or may lawfully inure, to the benefit of any private shareholder or individual.

(h) The term "secondary school" means a school which provides secondary education, as determined under State law except that it does not include any education provided beyond grade 12.

(i) The terms "construction" and "cost of construction" include (1) the construction of new buildings, and the acquisition, expansion, remodeling, replacement, and alteration of existing buildings, including architects' fees, but not including the cost of acquisition of land (except in the case of acquisition of an existing building), off-site improvements, living quarters, or patient-care facilities, and (2) equipping new buildings and existing buildings, whether or not acquired, expanded, remodeled, or altered.

PART D—SCHOLARSHIP GRANTS TO SCHOOLS OF NURSING

SCHOLARSHIP GRANTS

SEC. 860. (a) The Secretary shall make grants as provided in this part to each public or other nonprofit school of nursing for scholarships to be awarded annually by such school to students thereof.

(b) The amount of the grant under subsection (a) for the fiscal year ending June 30, 1970, and the next fiscal year to each such school shall be equal to $2,000 multiplied by one-tenth of the number of full-time students of such school. For the fiscal year ending June 30, 1972, and for each of the three succeeding fiscal years, the grant under subsection (a) shall be such amount as may be necessary to enable such school to continue making payments under scholarship awards to students who initially received such awards out of grants made to the school for fiscal years ending prior to July 1, 1971.

(c) (1) Scholarships may be awarded by schools from grants under subsection (a)—

(A) only to individuals who have been accepted by them for enrollment, and individuals enrolled and in good standing, as full-time students, in the case of awards from such grants for the fiscal year ending June 30, 1970, and the next fiscal year; and

(B) only to individuals enrolled and in good standing as full-time students who initially received scholarship awards out of such grants for a fiscal year ending prior to July 1, 1971, in the case of awards from such grants for the fiscal year ending June 30, 1972, and each of the three succeeding fiscal years.

(2) Scholarships from grants under subsection (a) for any school year shall be awarded only to students of exceptional financial need who need such financial assistance to pursue a course of study at the school for such year. Any such scholarship awarded for a school year

shall cover such portion of the student's tuition, fees, books, equipment, and living expenses at the school making the award, but not to exceed $1,500 for any year in the case of any student, as such school may determine the student needs for such year on the basis of his requirements and financial resources.

(d) Grants under subsection (a) shall be made in accordance with regulations prescribed by the Secretary after consultation with the National Advisory Council on Nurse Training.

(e) Grants under subsection (a) may be paid in advance or by way of reimbursement, and at such intervals as the Secretary may find necessary; and with appropriate adjustments on account of overpayments or underpayments previously made.

TRANSFERS TO STUDENT LOAN PROGRAM

SEC. 861. Not to exceed 20 per centum of the amount paid to a school from the appropriation for any fiscal year for scholarships under this part, or such larger percentage thereof as the Secretary may appove for such school for such year, may be transferred to the sums available to the school under this part for (and to be regarded as) Federal capital contributions, to be used for the same purpose as such sums.

CONTRACTS TO ENCOURAGE FULL UTILIZATION OF NURSING EDUCATIONAL TALENT

SEC. 868. (a) To assist in achieving the purposes of this part the Secretary is authorized (without regard to section 3709 of the Revised Statutes (41 U.S.C. 5)) to enter into contracts, not to exceed $100,000 per year, with State and local educational agencies and other public or nonprofit organizations and institutions for the purpose of—

(1) identifying qualified youths of exceptional financial need and encouraging them to complete secondary school and undertake post-secondary educational training in the field of nursing, or

(2) publicizing existing forms of financial aid for nursing students, including aid furnished under this part.

(b) There are hereby authorized to be appropriated such sums as may be necessary to carry out this section.

DEFINITION OF ACADEMIC YEAR

SEC. 869. As used in this part, the term "academic year" means an academic year or its equivalent as defined in regulations of the Secretary.

National Sea Grant College and Program Act of 1966

(P.L. 89–688)

AN ACT To amend the Marine Resources and Engineering Development Act of 1966 to authorize the establishment and operation of sea grant colleges and programs by initiating and supporting programs of education and research in the various fields relating to the developing of marine resources, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, * * *

TITLE II—SEA GRANT COLLEGES AND PROGRAMS

SHORT TITLE

Sec. 201. This title may be cited as the "National Sea Grant College and Program Act of 1966."

DECLARATION OF PURPOSE

Sec. 202. The Congress hereby finds and declares—

(a) that marine resources, including animal and vegetable life and mineral wealth, constitute a far-reaching and largely untapped asset of immense potential significance to the United States; and

(b) that it is in the national interest of the United States to develop the skilled manpower, including scientists, engineers, and technicians, and the facilities and equipment necessary for the exploitation of these resources; and

(c) that aquaculture, as with agriculture on land, and the gainful use of marine resources can substantially benefit the United States, and ultimately the people of the world, by providing greater economic opportunities, including expanded employment and commerce; the enjoyment and use of our marine resources; new sources of food; and new means for the development of marine resources; and

(d) that Federal support toward the establishment, development, and operation of programs by sea grant colleges and Federal support of other sea grant programs designed to achieve the gainful use of marine resources, offer the best means of promoting programs toward the goals set forth in clauses (a), (b), and (c), and should be undertaken by the Federal Government; and

(e) that in view of the importance of achieving the earliest possible institution of significant national activities related to the development of marine resources, it is the purpose of this title to provide for the establishment of a program of sea grant colleges and education, training, and research in the fields of marine science, engineering, and related disciplines.

GRANTS AND CONTRACTS FOR SEA GRANT COLLEGES AND PROGRAMS

Sec. 203. (a) The provisions of this title shall be administered by the National Science Foundation (hereafter in this title referred to as the "Foundation").

(b) (1) For the purpose of carrying out this title, there is authorized to be appropriated to the Foundation for the fiscal year ending June 30, 1967, not to exceed the sum of $5,000,000, for the fiscal year ending June 30, 1968, not to exceed the sum of $15,000,000 and for each subsequent fiscal year only such sums as the Congress may hereafter specifically authorize by law.

(2) Amounts appropriated under this title are authorized to remain available until expended.

MARINE RESOURCES

SEC. 204. (a) In carrying out the provisions of this title the Foundation shall (1) consult with those experts engaged in pursuits in the various fields related to the development of marine resources and with all departments and agencies of the Federal Government (including the United States Office of Education in all matters relating to education) interested in, or affected by, activities in any such fields, and (2) seek advice and counsel from the National Council on Marine Resources and Engineering Development as provided by section 205 of this title.

(b) The Foundation shall exercise its authority under this title by—

(1) initiating and supporting programs at sea grant colleges and other suitable institutes, laboratories, and public or private agencies for the education of participants in the various fields relating to the development of marine resources;

(2) initiating and supporting necessary research programs in the various fields relating to the development of marine resources, with preference given to research aimed at practices, techniques, and design of equipment applicable to the development of marine resources; and

(3) encouraging and developing programs consisting of instruction, practical demonstrations, publications, and otherwise, by sea grant colleges and other suitable institutes, laboratories, and public or private agencies through marine advisory programs with the object of imparting useful information to persons currently employed or interested in the various fields related to the development of marine resources, the scientific community, and the general public.

(c) Programs to carry out the purposes of this title shall be accomplished through contracts with, or grants to, suitable public or private institutions of higher education, institutes, laboratories, and public or private agencies which are engaged in, or concerned with, activities in the various fields related to the development of marine resources, for the establishment and operation by them of such programs.

(d) (1) The total amount of payments in any fiscal year under any grant to or contract with any participant in any program to be carried out by such participant under this title shall not exceed 66⅔ per centum of the total cost of such program. For purposes of computing the amount of the total cost of any such program furnished by any participant in any fiscal year, the Foundation shall include in such computation an amount equal to the reasonable value of any buildings, facilities, equipment, supplies, or services provided by such participant with respect to such program (but not the cost or value of land or of Federal contributions).

(2) No portion of any payment by the Foundation to any participant in any program to be carried out under this title shall be applied to the purchase or rental of any land or the rental, purchase, construction, preservation, or repair of any building, dock, or vessel.

(3) The total amount of payments in any fiscal year by the Foundation to participants within any State shall not exceed 15 per centum of the total amount appropriated to the Foundation for the purposes of this title for such fiscal year.

(e) In allocating funds appropriated in any fiscal year for the purposes of this title the Foundation shall endeavor to achieve maximum participation by sea grant colleges and other suitable institutes, laboratories, and public or private agencies throughout the United States, consistent with the purposes of this title.

(f) In carrying out its functions under this title, the Foundation shall attempt to support programs in such a manner as to supplement and not duplicate or overlap any existing and related Government activities.

(g) Except as otherwise provided in this title, the Foundation shall, in carrying out its functions under this title, have the same powers and authority it has under the National Science Foundation Act of 1950 to carry out its functions under that Act.

(h) The head of each department, agency, or instrumentality of the Federal Government is authorized, upon request of the Foundation, to make available to the Foundation, from time to time, on a reimbursable basis, such personnel, services, and facilities as may be necessary to assist the Foundation in carrying out its functions under this title.

(i) For the purposes of this title—

(1) the term "development of marine resources" means scientific endeavors relating to the marine environment, including, but not limited to, the fields oriented toward the development, conservation, or economic utilization of the physical, chemical, geological, and biological resources of the marine environment; the fields of marine commerce and marine engineering; the fields relating to exploration or research in, the recovery of natural resources from, and the transmission of energy in, the marine environment; the fields of oceanography and oceanology; and the fields with respect to the study of the economic, legal, medical, or sociological problems arising out of the management, use, development, recovery, and control of the natural resources of the marine environment;

(2) the term "marine environment" means the oceans; the Continental Shelf of the United States; the Great Lakes; the seabed and subsoil of the submarine areas adjacent to the coasts of the United States to the depth of two hundred meters, or beyond that limit, to where the depths of the superjacent waters admit of the exploitation of the natural resources of the area; the seabed and subsoil of similar submarine areas adjacent to the coasts of islands which comprise United States territory; and the natural resources thereof;

(3) the term "sea grant college" means any suitable public or private institution of higher education supported pursuant to the purposes of this title which has major programs devoted to increasing our Nation's utilization of the world's marine resources; and

(4) the term "sea grant program" means (A) any activities of education or research related to the development of marine resources supported by the Foundation by contracts with or grants to institutions of higher education either initiating, or developing existing, programs in fields related to the purposes of this title, (B) any activities of education of research related to the develop-

ment of marine resources supported by the Foundation by contracts with or grants to suitable institutes, laboratories, and public or private agencies, and (C) any programs of advisory services oriented toward imparting information in fields related to the development of marine resources supported by the Foundation by contracts with or grants to suitable institutes, laboratories, and public or private agencies.

ADVISORY FUNCTIONS

Sec. 205. The National Council on Marine Resources and Engineering Development established by section 3 of title I of this Act shall, as the President may request—

(1) advise the Foundation with respect to the policies, procedures, and operations of the Foundation in carrying out its functions under this title;

(2) provide policy guidance to the Foundation with respect to contracts or grants in support of programs conducted pursuant to this title, and make such recommendations thereon to the Foundation as may be appropriate; and

(3) submit an annual report on its activities and its recommendations under this section to the Speaker of the House of Representatives, the Committee on Merchant Marine and Fisheries of the House of Representatives, the President of the Senate, and the Committee on Labor and Public Welfare of the Senate.

CHAPTER 34—VETERANS' EDUCATIONAL ASSISTANCE

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Subchapter I—Purpose—Definitions

Sec. 1651. Purpose

The Congress of the United States hereby declares that the education program created by this chapter is for the purpose of (1) enhancing and making more attractive service in the Armed Forces of the United States, (2) extending the benefits of a higher education to qualified and deserving young persons who might not otherwise be able to afford such an education, (3) providing vocational readjustment and restoring lost educational opportunities to those service men and women whose careers have been interrupted or impeded by reason of active duty after January 31, 1955, and (4) aiding such persons in attaining the vocational and educational status which they might normally have aspired to and obtained had they not served their country.

Sec. 1652. Definitions

For the purposes of this chapter—

(a)(1) The term "eligible veteran" means any veteran who (A) served on active duty for a period of more than 180 days any part of which occurred after January 31, 1955, and who was discharged or released therefrom under conditions other than dishonorable or (B) was discharged or released from active duty after such date for a service-connected disability. Such term also means any curriculum of unit courses or subjects pursued at an educational institution which fulfill requirements for the attainment of more than one predetermined and identified educational, professional, or vocational objective if all the objectives pursued are generally recognized as being reasonably related to a single career field.

(2) The requirement of discharge or release, prescribed in paragraph (1)(A), shall be waived in the case of any individual who served more than one hundred and eighty days in an active-duty status for so long as he continues on active duty without a break therein.

(3) For purposes of paragraph (1)(A) and section 1661(a), the term "active duty" does not include any period during which an individual (A) was assigned full time by the Armed Forces to a civilian institution for a course of education which was substantially the same as established courses offered to civilians, (B) served as a cadet or midshipman at one of the service academies, or (C) served under the provisions of section 511(d) of title 10 pursuant to an enlistment in the Army National Guard or the Air National Guard or as a Reserve for service in the Army Reserve, Naval Reserve, Air Force Reserve, Marine Corps Reserve, or Coast Guard Reserve.

(b) The term "program of education" means any curriculum or any combination of unit courses or subjects pursued at an educational institution which is generally accepted as necessary to fulfill requirements for the attainment of a predetermined and identified educational, professional, or vocational objective. Such term also means any unit course or subject, or combination of courses or subjects, pursued by an eligible veteran at an educational institution, required by the Administrator of the Small Business Administration as a condition to obtaining financial assistance under the provisions of 402(a) of the Economic Opportunity Act of 1964 (42 U.S.C. 2902(a)).

(c) The term "educational institution" means any public or private elementary school, secondary school, vocational school, correspondence school, business school, junior college, teachers' college, college, normal school, professional school, university, or scientific or technical institution, or other institution furnishing education for adults.

(d) The term "dependent" means—

(1) a child of an eligible veteran;

(2) a dependent parent of an eligible veteran; and

(3) the wife of an eligible veteran. (Added P.L. 89–358, § 2.)

(e) For the purposes of this chapter and chapter 36 of this title, the term "training establishment" means any establishment providing apprentice or other training on the job, including those under the supervision of a college or university or any State department of education, or any State apprenticeship agency, or any State board of vocational education, or any joint apprenticeship committee, or the Bureau of Apprenticeship and Training established pursuant to chapter 4C of title 29, United States Code, or any agency of the Federal Government authorized to supervise such training.

Subchapter II—Eligibility and Entitlement

Sec. 1661. Eligibility; entitlement; duration

Entitlement

(a) Except as provided in subsection (c) and in the second sentence of this subsection, each eligible veteran shall be entitled to educational assistance under this chapter for a period of one and one-half months (or the equivalent thereof in part-time educational assistance) for each month or fraction thereof his service on active duty after January 31, 1955. If an eligible veteran has served a period of 18 months or more on active duty after January 31, 1955, and has been released from such service under conditions that would satisfy his active duty obligation, he shall be entitled to educational assistance under this chapter for a period of 36 months (or the equivalent thereof in part-time educational assistance).

(b) Whenever the period of entitlement under this section of an eligible veteran who is enrolled in an educational institution regularly operated on the quarter or semester system ends during a quarter or semester, such period shall be extended to the termination of such unexpired quarter or semester. In educational institutions not operated on the quarter or semester system, whenever the period of eligibility ends after a major portion of the course is completed such period shall be extended to the end of the course or for twelve weeks, whichever is the lesser period.

(c) Except as provided in subsection (b) and in subchapters V and VI of this chapter, no eligible veteran shall receive educational assistance under this chapter in excess of thirty-six months.

Sec. 1662. Time limitations for completing a program of education

Delimiting Period for Completion

(a) No educational assistance shall be afforded an eligible veteran under this chapter beyond the date eight years after his last discharge or release from active duty after January 31, 1955.

Correction of Discharge

(b) In the case of any eligible veteran who has been prevented, as determined by the Administrator, from completing a program of education under this chapter within the period prescribed by subsection (a), because he had not met the nature of discharge requirements of this chapter before a change, correction, or modification of a discharge or dismissal made pursuant to section 1553 of title 10, the correction of the military records of the proper service department under section 1552 of title 10, or other corrective action by competent authority, then the 8-year delimiting period shall run from the date his discharge or dismissal was changed, corrected, or modified.

Savings Clause

(c) In the case of any eligible veteran who was discharged or released from active duty before the date for which an educational assistance allowance is first payable under this chapter, the 8-year delimiting period shall run from such date, if it is later than the date which otherwise would be applicable. In the case of any eligible veteran who was discharged or released from active duty before the date of enactment of this sentence and who pursues a course of farm cooperative training, apprenticeship or other training on the job, or flight training within the provisions of section 1677 of this chapter, the eight-year delimiting period shall run from the date of enactment of this sentence, if it is later than the date which would otherwise be applicable.

Sec. 1663. Educational and vocational counseling

The Administrator may arrange for educational and vocational counseling for veterans eligible for educational assistance under this chapter. At such intervals as he deems necessary, he shall make available information respecting the need for general education and for trained personnel in the varous crafts, trades, and professions. Facilities of other Federal agencies collecting such information shall be utilized to the extent he deems practicable.

Subchapter III—Enrollment

Sec. 1670. Selection of program

Subject to the provisions of this chapter, each eligible veteran may select a program of education to assist him in attaining an educational, professional, or vocational objective at any educational institution (approved in accordance with chapter 36 of this title) selected by him, which will accept and retain him as a student or trainee in any field or branch of knowledge which such institution finds him qualified to undertake or pursue.

Sec. 1671. Applications; approval

Any eligible veteran who desires to initiate a program of education under this chapter shall submit an application to the Administrator which shall be in such form, and contain such information, as the Administrator shall prescribe. The Administrator shall approve such application unless he finds that such veteran is not eligible for or entitled to the educational assistance applied for, or that his program of education fails to meet any of the requirements of this chapter, or that he is already qualified. The Administrator shall notify the eligible veteran of the approval or disapproval of his application.

Sec. 1672. Change of program

(a) Except as provided in subsection (b), each eligible veteran (except an eligible veteran whose program has been interrupted or discontinued due to his own misconduct, his own neglect, or his own lack of application) may make not more than one change of program of education.

(b) The Administrator may approve one additional change (or an initial change in the case of a veteran not eligible to make a change under subsection (a)) in program if he finds that—

(1) the program of education which the eligible veteran proposes to pursue is suitable to his aptitudes, interests, and abilities; and

(2) in any instance where the eligible veteran has interrupted, or failed to progress in, his program due to his own misconduct, his own neglect, or his own lack of application, there exists a reasonable likelihood with respect to the program which the eligible veteran proposes to pursue that there will not be a recurrence of such an interruption or failure to progress. (Added P.L. 89-358, § 2)

(c) As used in this section the term "change of program of education" shall not be deemed to include a change from the pursuit of one program to pursuit of another where the first program is prerequisite to, or generally required for, entrance into pursuit of the second.

Sec. 1673. Disapproval of enrollment in certain courses

(a) The Administrator shall not approve the enrollment of an eligible veteran in—

(1) any bartending course or personality development course;

(2) any sales or sales management course which does not provide specialized training within a specific vocational field, unless the eligible veteran or the institution offering such course submits

justification showing that at least one-half of the persons completing such course over the preceding two-year period have been employed in the sales or sales management field; or

(3) any type of course which the Administrator finds to be avocational or recreational in character unless the veteran submits justification showing that the course will be of bona fide use in the pursuit of his present or contemplated business or occupation.

(b) Except as provided in section 1677 of this title, the Administrator shall not approve the enrollment of an eligible veteran in any course of flight training other than one given by an educational institution of higher learning for credit toward a standard college degree the eligible veteran is seeking.

(c) The Administrator shall not approve the enrollment of an eligible veteran in any course to be pursued by open circuit television (except as herein provided) or radio. The Administrator may approve the enrollment of an eligible veteran in a course, to be pursued in residence, leading to a standard college degree which includes, as an integral part thereof, subjects offered through the medium of open circuit television, if the major portion of the course requires conventional classroom or laboratory attendance.

(d) The Administrator shall not approve the enrollment of any eligible veteran, not already enrolled, in any nonaccredited course below the college level offered by a proprietary profit or proprietary nonprofit educational institution or any period during which the Administrator finds that more than 85 per centum of the students enrolled in the course are having all or part of their tuition, fees, or other charges paid to or for them by the educational institution or the Veterans' Administration under this chapter or chapter 31 or 35 of this title.

Sec. 1674. Discontinuance for unsatisfactory conduct or progress

The Administrator shall discontinue the educational assistance allowance of an eligible veteran if, at any time, the Administrator finds that according to the regularly prescribed standards and practices of the educational institution, his conduct or progress is unsatisfactory. The Administrator may renew the payment of the educational assistance allowance only if he finds that—

(1) the cause of the unsatisfactory conduct or progress of the eligible veteran has been removed; and

(2) the program which the eligible veteran now proposes to pursue (whether the same or revised) is suitable to his aptitudes, interests, and abilities.

Sec. 1675. Period of operation for approval

(a) The Administration shall not approve the enrollment of an eligible veteran in any course offered by an education institution when such course has been in operation for less than two years.

(b) Subsection (a) shall not apply to—

(1) any course to be pursued in a public or other tax-supported educational institution;

(2) any course which is offered by an educational institution which has been in operation for more than two years, if such

course is similar in character to the instruction previously given by such institution;

(3) any course which has been offered by an institution for a period of more than two years, notwithstanding the institution has moved to another location within the same general locality; or

(4) any course which is offered by a nonprofit educational institution of college level and which is recognized for credit toward a standard college degree.

Sec. 1676. Education outside the United States

An eligible veteran may not pursue a program of education at an educational institution which is not located in a State, unless such program is pursued at an approved educational institution of higher learning. The Administrator in his discretion may deny or discontinue the educational assistance under this chapter of any veteran in a foreign educational institution if he finds that such enrollment is not for the best interest of the veteran or the Government.

Sec. 1677. Flight training

(a) The Administrator may approve the pursuit by an eligible veteran of flight training where such training is generally accepted as necessary for the attainment of a recognized vocational objective in the field of aviation or where generally recognized as ancillary to the pursuit of a vocational endeavor other than aviation, subject to the following conditions:

(1) the eligible veteran must possess a valid private pilot's license and meet the medical requirements necessary for a commercial pilot's license; and

(2) the flight school courses must meet the Federal Aviation Administration standards and be approved both by that Agency and the appropriate State approving agency.

(b) Each eligible veteran who is pursuing a program of education consisting exclusively of flight training approved as meeting the requirements of subsection (a) hereof, shall be paid an educational assistance allowance to be computed at the rate of 90 per centum of the established charges for tuition and fees which similarly circumstanced non-veterans enrolled in the same flight course are required to pay. Such allowance shall be paid monthly upon receipt of a certification from the eligible veteran and the institution as to the actual flight training received by, and the cost thereof to, the veteran during such month. In each such case the eligible veteran's period of entitlement shall be charged with one month for each $175 which is paid to the veteran as an educational assistance allowance for such course.

Subchapter IV—Payments to Eligible Veterans

Sec. 1681. Educational assistance allowance

(a) The Administrator shall pay to each eligible veteran who is pursuing a program of education under this chapter an educational assistance allowance to meet, in part, the expenses of his subsistence, tuition, fees, supplies, books, equipment, and other educational costs.

(b) The educational assistance allowance of an eligible veteran shall be paid, as provided in section 1682 of this title, only for the period of his enrollment as approved by the Administrator, but no allowance shall be paid—

(1) to any veteran enrolled in a course which leads to a standard college degree for any period when such veteran is not pursuing his course in accordance with the regularly established policies and regulations of the educational institution and the requirements of this chapter, or of chapter 36;

(2) to any veteran enrolled in a course which does not lead to a standard college degree (excluding programs of apprenticeship and programs of other on-job training authorized by section 1683 of this title) for any day of absence in excess of thirty days in a twelve-month period, not counting as absences weekends or legal holidays established by Federal or State law during which the institution is not regularly in session; or

(3) to any veteran pursuing his program exclusively by correspondence for any period during which no lessons were serviced by the institution.

(c) The Administrator may, pursuant to such regulations as he may prescribe, determine enrollment in, pursuit of, and attendance at, any program of education or course by an eligible veteran for any period for which he receives an educational assistance allowance under this chapter for pursuing such program or course.

(d) No educational assistance shall be paid to an eligible veteran enrolled in a course in an educational institution which does not lead to a standard college degree for any period until the Administrator shall have received—

(1) from the eligible veteran a certification as to his actual attendancce during such period or where the program is pursued by correspondence a certificate as to the number of lessons actually completed by the veteran and serviced by the institution; and

(2) from the educational institution, a certification, or an endorsement on the veteran's certificate, that such veteran was enrolled in and pursuing a course of education during such period and, in the case of an institution furnishing education to a veteran exclusively by correspondence, a certificate, or an endorsement on the veteran's certificate, as to the number of lessons completed by the veteran and serviced by the institution.

Notwithstanding the foregoing, the Administrator may pay an educational assistance allowance representing the initial payment of an enrollment period, not exceeding one full month, upon receipt of a certificate of enrollment.

(e) Educational assistance allowances shall be paid as soon as practicable after the Administrator is assured of the veteran's enrollment in and pursuit of the program of education for the period for which such allowance is to be paid.

Sec. 1682. Computation of educational assistance allowances

(a)(1) Except as provided in subsection (b), (c)(1), or (d) of this section, or section 1677 or 1683 of this title, while pursuing a program of education under this chapter of half-time or more, each eligible veteran shall be paid the monthly educational assistance allowance set forth in column II, III, IV, or V (whichever is applicable as determined by the veteran's dependency status) opposite the applicable type of program as shown in column I:

Column I	Column II	Column III	Column IV	Column V
Type of program	No dependents	One dependents	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Institutional:				
Full-time	$175	$205	$230	$13
Three-quarter-time	128	152	177	10
Half-time	81	100	114	7
Cooperative	141	167	192	10

(2) A "cooperative" program, other than a "farm cooperative" program, means a full-time program of education which consists of institutional courses and alternate phases of training in the business or industrial establishment with the training in the business or industrial establishment being strictly supplemental to the institutional portion.

(b) The educational assistance allowance of an individual pursuing a program of education—

(1) while on active duty, or

(2) on less than a half-time basis,

shall be computed at the rate of (A) the established charges for tuition and fees which the institution requires similarly circumstanced nonveterans enrolled in the same program to pay, or (B) $175 per month for a full-time course, whichever is the lesser. Notwithstanding provisions of section 1681 of this title, payment of the educational assistance allowance provided by this subsection may, and the educational assistance allowance provided by section 1696(b) shall, be made to an eligible veteran in an amount computed for the entire quarter, semester, or term during the month immediately following the month in which certification is received from the educational institution that the veteran has enrolled in and is pursuing a program at such institution.

(c)(1) The educational assistance allowance of an eligible veteran pursuing a program of education exclusively by correspondence shall be computed on the basis of the established charge which the institution requires nonveterans to pay for the course or courses pursued by the eligible veterans. The term "established charge" as used herein means the charge for the course or courses determined on the basis of the lowest extended time payment plan offered by the institution and approved by the appropriate State approving agency or the actual cost to the eligible veteran, whichever is the lesser. Such allowance shall be paid quarterly on a pro-rata basis for the lessons completed by the veterans and serviced by the institution, as certified by the institution.

(2) The period of entitlement of any eligible veteran who is pursuing any program of education exclusively by correspondence shall be charged with one month for each $175 which is paid to the veteran as an educational assistance allowance for such course.

(d)(1) An eligible veteran who is enrolled in an educational institution for a "farm cooperative" program consisting of institutional agricultural courses prescheduled to fall within 44 weeks of any period of 12 consecutive months and who pursues such program on—

(A) a full-time basis (a minimum of 12 clock hours a week),

(B) a three-quarter-time basis (a minimum of 9 clock hours per week), or

(C) a half-time basis (a minimum of 6 clock hours per week) shall be eligible to receive an educational assistance allowance at the appropriate rate provided in the table in paragraph (2) of this subsection, if such eligible veteran is concurrently engaged in agricultural employment which is relevant to such institutional agricultural courses as determined under standards prescribed by the Administrator.

(2) The monthly educational assistance allowance of an eligible veteran pursuing a farm cooperative program under this chapter shall be paid as set forth in column II, III, IV, or V (whichever is applicable as determined by the veteran's dependency status) opposite the basis shown in column I:

Column I	Column II	Column III	Column IV	Column V
Basis	No dependents	One dependent	Two dependents	More than two dependents
				The amount in column IV, plus the following for each dependent in excess of two:
Full-time	$141	$165	$190	$10
Three-quarter-time	101	119	138	7
Half-time	67	79	92	4

Sec. 1683. Apprenticeship or other on-job training

(a) Any eligible veteran may receive the benefits of this chapter while pursuing a full-time—

(1) program of apprenticeship approved by a State approving agency as meeting the standards of apprenticeship published by the Secretary of Labor pursuant to section 50a of title 29, United States Code, or

(2) program of other training on the job approved under the provisions of section 1777 of this title,

subject to the conditions and limitations of this chapter with respect to educational assistance.

(b)(1) The monthly training assistance allowance of an eligible veteran pursuing a program described under subsection (a) shall be as follows:

Periods of training	No dependents	One dependent	Two or more dependents
First 6 months	$108	$120	$133
Second 6 months	81	92	105
Third 6 months	54	66	79
Fourth and any succeeding 6-month periods	27	39	52

(2) In any month in which an eligible veteran pursuing a program of apprenticeship or a program of other on-job training fails to complete one hundred and twenty hours of training in such month, the monthly training assistance allowance set forth in subsection (b)(1)

of this section shall be reduced proportionately in the proportion that the number of hours worked bears to one hundred and twenty hours rounded off to the nearest eight hours.

(c) For purposes of this chapter and chapter 36 of this title, the terms "program of apprenticeship" and "programs of other on-job training" shall have the same meaning as "program of education"; and the term "training assistance allowance" shall have the same meaning as "educational assistance allowance."

Sec. 1684. Measurement of courses

(a) For the purposes of this chapter—

(1) an institutional trade or technical course offered on a clock-hour basis below the college level involving shop practice as an integral part thereof, shall be considered a full-time course when a minimum of thirty hours per week of attendance is required with no more than two and one-half hours of rest periods per week allowed;

(2) an institutional course offered on a clock-hour basis below the college level in which theoretical or classroom instruction predominates shall be considered a full-time course when a minimum of twenty-five hours per week net of instruction (which may include customary intervals not to exceed ten minutes between hours of instruction) is required;

(3) an academic high school course requiring sixteen units for a full course shall be considered a full-time course when a minimum of four units per year is required. For the purpose of this clause, a unit is defined to be not less than one hundred and twenty sixty-minute hours or their equivalent of study in any subject in one academic year;

(4) an institutional undergraduate course offered by a college or university on a quarter- or semester-hour basis shall be considered a full-time course when a minimum of fourteen semester hours or the equivalent thereof, for which credit is granted toward a standard college degree (including those for which no credit is granted but which are required to be taken to correct an educational deficiency), is required, except that where such college or university certifies, upon the request of the Administrator that (A) full-time tuition is charged to all undergraduate students carrying a minimum of less than fourteen such semester hours or the equivalent thereof, or (B) all undergraduate students carrying a minimum of less than fourteen such semester hours or the equivalent thereof, are considered to be pursuing a full-time course for other administrative purposes, then such an institutional undergraduate course offered by such college or university with such minimum number of such semester hours shall be considered a full-time course, but in the event such minimum number of semester hours is less than twelve semester hours or the equivalent thereof, then twelve semester hours or the equivalent thereof shall be considered a full-time course; and

(5) a program of apprenticeship or a program of other on-job training shall be considered a full-time program when the eligible veteran is required to work the number of hours constituting the

standard workweek of the training establishment, but a workweek of less than thirty hours shall not be considered to constitute full-time training unless a lesser number of hours has been established as the standard workweek for the particular establishment through bona fide collective bargaining.

(b) The Administrator shall define part-time training in the case of the types of courses referred to in subsection (a), and shall define full-time and part-time training in the case of all other types of courses pursued under this chapter.

Sec. 1685. Overcharges by educational institutions

(a) If the Administrator finds that an educational institution has charged or received from any eligible veteran pursuing a program of education under this chapter any amount for any course in excess of the charges for tuition and fees which such institution requires similarly circumstanced nonveteran students, who are enrolled in the same course to pay, he may disapprove such educational institution for the enrollment of any eligible veteran not already enrolled therein under this chapter and any eligible veteran or person not already enrolled therein under chapter 31 or 35 of this title.

(b) Any educational institution which has been disapproved under section 1734 of this title shall be deemed to be disapproved for the enrollment under this chapter of any eligible veteran not already enrolled therein.

Sec. 1686. Approval of courses

An eligible veteran shall receive the benefits of this chapter while enrolled in a course of education offered by an educational institution only if such course it approved in accordance with the provisions of subchapter I of chapter 36 of this title.

Sec. 1687. Discontinuance of allowances

The Administrator may discontinue the educational assistance allowance of any eligible veteran if he finds that the program of education or any course in which the eligible veteran is enrolled fails to meet any of the requirements of this chapter or chapter 36, or if he finds that the educational institution offering such program or course has violated any provision of this chapter or chapter 36, or fails to meet any of their requirements.

Subchapter V—Special Assistance for the Educationally Disadvantaged

Sec. 1690. Purpose

It is the purpose of this subchapter (1) to encourage and assist veterans who have academic deficiencies to attain a high school education or its equivalent and to qualify for and pursue courses of higher education, (2) to assist eligible veterans to pursue postsecondary education through tutorial assistance where required, and (3) to encourage educational institutions to develop programs which provide special tutorial, remedial, preparatory, or other educational or supplementary assistance to such veterans.

Sec. 1691. Elementary and secondary education and preparatory educational assistance

(a) In the case of any eligible veteran not on active duty who—

(1) has not received a secondary school diploma (or an equivalency certificate) at the time of his discharge or release from active duty, or

(2) in order to pursue a program of education for which he would otherwise be eligible, needs refresher courses, deficiency courses, or other perparatory or special educational assistance to qualify for admission to an appropriate education institution,

the Administrator may, without regard to so much of the provisions of section 1671 as prohibit the enrollment of an eligible veteran in a program of education in which he is ‘ already qualified’, approve the enrollment of such veteran in an appropriate course or courses or other special educational assistance program.

(b) The Administrator shall pay to an eligible veteran pursuing a course or courses or program pursuant to subsection (a) of this section, an educational assistance allowance as provided in sections 1681 and 1682 (a) or (b) of this title; except that no enrollment in adult evening secondary school courses shall be approved in excess of half-time training as defined pursuant to section 1684 of this title.

Sec. 1692. Special supplementary assistance

(a) In the case of any eligible veteran who—

(1) is enrolled in and pursuing a postsecondary course of education on a half-time or more basis at an educational institution; and

(2) has a marked deficiency in a subject required as a part of, or which is a prerequisite to, or which is indispensable to the satisfactory pursuit of, an approved program of education.

the Administrator may approve individualized tutorial assistance for such veteran if such assistance is necessary for the veteran to complete such program successfully.

(b) The Administrator shall pay to an eligible veteran receiving tutorial assistance pursuant to subsection (a) of this section, in addition to the educational assistance allowance provided in section 1682 of this title, the cost of such tutorial assistance in an amount not to exceed $50 per month for a maximum of nine months, upon certification by the educational institution that—

(1) the individualized tutorial assistance is essential to correct a marked deficiency of the eligible veteran in a subject required as a part of, or which is prerequisite to, or which is indispensable to the satisfactory pursuit of, an approved program of education;

(2) the tutor chosen to perform such assistance is qualified; and

(3) the charges for such assistance do not exceed the customary charges for such tutorial assistance.

Sec. 1693. Effect on educational entitlement

The educational assistance allowance or cost of individualized tutorial assistance authorized by this subchapter shall be paid without charge to any period of entitlement the veteran may have earned pursuant to section 1661(a) of this title.

Subchapter VI—Predischarge Education Program

Sec. 1695. Purpose; definition

(a) The purpose of this subchapter is to encourage and assist veterans in preparing for their future education, training, or vocation by providing them with an opportunity to enroll in and pursue a program of education or training prior to their discharge or release from active duty with the Armed Forces. The program provided for under this subchapter shall be known as the Predischarge Education Program (PREP).

(b) For the purposes of this subchapter, the term "eligible person" means any person serving on active duty with the Armed Forces who has completed more than 180 consecutive days of such active duty service as certified to the Administrator by the Secretary concerned.

Sec. 1696. Payment of educational assistance allowance

(a) The Administrator shall, under such regulations as he shall prescribe after consultation with the Secretary of Defense, pay the educational assistance allowance as computed in subsection (b) of this section to an eligible person enrolled in and pursuing (1) a course or courses offered by an educational institution (other than by correspondence) and required to receive a secondary school diploma, or (2) any deficiency, remedial or refresher course or courses offered by an educational institution and required for or preparatory to the pursuit of an appropriate course or training program in an approved educational institution or training establishment.

(b) The educational assistance allowance of an eligible person pursuing education or training under this subchapter shall be computed at the rate of (1) the established charges for tuition and fees which the educational institution requires similarly circumstanced nonveterans enrolled in the same or a similar program to pay, and the cost of books and supplies peculiar to the course which such educational institution requires similarly circumstanced nonveterans enrolled in the same or a similar program to have, or (2) $175 per month for a full-time course, whichever is the lesser.

(c) The educational assistance allowance authorized by this section shall be paid without charge to any period of entitlement earned pursuant to section 1661(a) of this title.

Sec. 1697. Educational and vocational guidance

The Administrator shall, to the extent that professional counselors are available, provide, by contract or otherwise, educational and vocational guidance to persons eligible for educational assistance under this subchapter.

CHAPTER 35—WAR ORPHANS' AND WIDOWS' EDUCATIONAL ASSISTANCE ACT

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Subchapter I—Definitions

Sec. 1700. Purpose

The Congress hereby declares that the educational program established by this chapter is for the purpose of providing opportunities for education to children whose education would otherwise be impeded or interrupted by reason of the disability or death of a parent from a disease or injury incurred or aggravated in the Armed Forces after the beginning of the Spanish-American War, and for the purpose of aiding such children in attaining the educational status which they might normally have aspired to and obtained but for the disability or death of such parent. The Congress further declares that the educational program extended to the widows of veterans who died of service-connected disabilities and to wives of veterans with a service-connected total disability permanent in nature is for the purpose of assisting them in preparing to support themselves and their families at a standard of living level which the veterans, but for his death or service disability, could have expected to provide for his family.

Sec. 1701. Definitions

(a) For the purpose of this chapter—

(1) The term "eligible preson" means—

(A) a child of a person who—

(i) died of a service-connected disability,

(ii) has a total disability permanent in nature resulting from a service-connected disability, or who died while a disability so evaluated was in existence, or

(iii) at the time of application for benefits under this chapter is a member of the Armed Forces serving on active duty listed, pursuant to section 556 of title 37, United States Code, and regulations issued thereunder by the Secretary concerned in one or more of the following categories and has been so listed for a total of more than ninety days: (A) missing in action, (B) captured in line of duty by a hostile force, or (C) forcibly detained or interned in line of duty by a foreign government or power,;

(B) the widow of any person who died of a service-connected disability,

(C) the wife of any member of the Armed Forces serving on active duty who, at the same of application for benefits under this chapter is listed, pursuant to section 556 of title 37, United States Code, and regulations issued thereunder, by the Secretary concerned in one or more of the following categories and has been so listed for a total of more than ninety days: (i) missing in action (ii) captured in line of duty by a hostile force, or (iii) forcibly detained or interned in line of duty by a foreign government or power, or.

(D) the wife of any person who has a total disability permanent in nature resulting from a service-connected disability, or the widow of a veteran who died while a disability so evaluated was in existence,

arising out of active military, naval, or air service after the beginning of the Spanish-American War, but only if such service did not terminate under dishonorable conditions. The standards and criteria for determining whether or not a disability arising out of such service is service connected shall be those applicable under chapter 11 of this

(2) The term "child" includes individuals who are married and individuals who are above the age of twenty-three years.

(3) The term "duty with the Armed Forces" as used in section 1712 of this title means (A) active duty, (B) active duty for training for a period of six or more consecutive months, or (C) active duty for training required by section 511(d) of title 10.

(4) The term "guardian" includes a fiduciary legally appointed by a court of competent jurisdiction, or any person who is determined by the Administrator in accordance with section 3202 of this title to be otherwise legally vested with the care of the eligible person.

(5) The term "program of education" means any curriculum or any combination of unit courses or subjects pursued at an educational institution which is generally accepted as necesary to fulfill the reqiurements for the attainment of a predetermined and identified educational, profession, or vocational objective.

(6) The term "educational institution" means any public or private secondary school, vocational school, business school, junior college, teachers' college, college, normal school, professional school, university, or scientific or technical institution, or any other institution if it furnishes education at the secondary school level or above.

(7) The term "special restorative training" means training furnished under subchapter V of this chapter.

(8) The term "total disability permanent in nature" means any disability rated total for the purposes of disability compensation which is based upon an impairment reasonably certain to continue throughout the life of the disabled person.

(b) If an eligible person has attained his majority and is under no known legal disability, all references in this chapter to "parent or guardian" shall refer to the eligible person himself.

(c) Any provision of this chapter which requires any action to be taken by or with respect to the parent or guardian of an eligible person who has not attained his majority, or who, having attained his majority, is under a legal disability, shall not apply when the Administrator determines that its application would not be in the best interest of the eligible person, would result in undue delay, or would not be administratively feasible. In such a case the Administrator, where necessary to protect the interest of the eligible person, may designate some other person (who may be the eligible person himself) as the person by or with respect to whom the action so required should be taken.

(d) No eligible person may be afforded educational assistance under this chapter unles he was discharged or released after each period he was on duty with the Armed Forces under conditions other than dishonorable, or while he is on duty with the Armed Forces.

Subchapter II—Eligibility and Entitlement

Sec. 1710. Eligibility and entitlement generally

Each eligible person shall, subject to the provisions of this chapter, be entitled to receive educational assistance.

Sec. 1711. Duration of educational assistance

(a) Each eligible person shall be entitled to educational assistance under this chapter for a period not in excess of thirty-six months (or to the equivalent thereof in part-time training).

(b) If any eligible person pursuing a program of education, or of special restorative training, under this chapter ceases to be an "eligible person" because—

(1) the parent or spouse from whom eligibility is derived is found no longer to have a "total disability permanent in nature", as defined in section 1701(a)(80) of this title,

(2) the parent or spouse from whom eligibility is derived based upon the provisions of section 1701(a)(1)(A)(iii) or 1701(a)(1)(C) of this title is no longer listed in one of the categories specified therein, or, and

(3) she, as an eligible person under section of this title, is divorced, without fault on her part, from the person

(3) she, as an eligible person under section 1701(a)(1)(D) of this title, is divorced, without fault on her part, from the person

upon whose disability her eligibility is based, then such eligible person (if he or she has sufficient remaining entitlement) may, nevertheless, be afforded educational assistance under this chapter until the end of a quarter or semester for which enrolled if the educational institution in which he is enrolled is operated on a quarter or semester system, or if the educational institution is not so operated until the end of the course, or until nine weeks have expired, whichever first occurs.

Sec. 1712. Periods of eligibility[1]

(a) The educational assistance to which an eligible person (within the meaning of section 1701(a)(1)(A)) is entitled under section 1711 of this title or subchapter V of this chapter may be afforded him during the period beginning on his eighteenth birthday, or on the successful completion of his secondary schooling, whichever first occurs, and ending on his twenty-sixth birthday, except that—

(1) if he is above the age of compulsory school attendance under applicable State law, and the Administrator determines that his best interests will be served thereby, such period may begin before his eighteenth birthday;

(2) if he has a mental or physical handicap, and the Administrator determines that his best interests will be served by pursuing a program of special restorative training or a specialized course of vocational training approval under section 1737 of this title, such period may begin before his eighteenth birthday, but not before his fourteenth birthday;

(3) if the Administrator first finds that the parent from whom eligibility is derived has a service-connected total disability permanent in nature, or if the death of the parent from whom eligibility is derived occurs, after the eligible person's eighteenth birthday but before his twenty-sixth birthday, then (unless paragraph (4) applies) such period shall end five years after, whichever date last occurs (A) the date on which the Administrator first finds that the parent from whom eligibility is derived has a service-connected total disability permanent in nature, or (B) the date of death of the parent from whom eligibility is derived.

(4) if he serves on duty with the Armed Forces as an eligible person after his eighteenth birthday but before his twenty-sixth birthday, then such period shall end five years after his first discharge or release from such duty with the Armed Forces (excluding from such five years all periods during which the eligible person served on active duty before August 1, 1962, pursuant to (A) a call or order thereto issued to him as a Reserve after July 30,

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[1] Sec. 307(b), Public Law 90–77, provides:

"(b) In the case of any eligible person (within the meaning of section 1701(a)(1) or 1765(a) of title 38, United States Code) who is made eligible for educational assistance under the provisions of chapter 35 of title 38, United States Code, solely by virtue of the amendments made by subsection (a) of this section, and who on the effective date of this Act is below the age of twenty-six years, the period referred to in section 1712 of such title shall not end with respect to such person until the expiration of the five-year period which begins on the effective date of this Act, excluding from such five-year period any period of time which may elapse between the date on which application for benefits of such chapter 35 is filed on behalf of such person and the date of final approval of such application by the Administrator of Veterans' Affairs; but in no event shall education assistance under such chapter 35 be afforded to any eligible person beyond his thirty-first birthday by reason of this section."

1961, or (B) an exension of an enlistment, appointment, or period of duty with the Armed Forces pursuant to section 2 of Public Law 87–117); however, in no event shall such period be extended beyond his thirty-first birthday by reason of this paragraph; and

(5)(A) if he is enrolled in an educational institution regularly operated on a quarter or semester system and such period ends during the last half of a quarter or semester, such period shall be extended to the end of the quarter or semester; or

(B) if he is enrolled in an educational institution operated other than on a quarter or semester system and such period ends during the last half of the course, such period shall be extended to the end of the course, or until nine weeks have expired, whichever first occurs.

(b) No person made eligible by section of this chapter may be afforded educational assistance under this chapter beyond eight years after whichever last occurs:

(1) The date on which the Administrator first finds the spouse from whom eligibility is derived has a service-connected total disability permanent in nature, or

(2) The date of death of the spouse from whom eligibility is derived.[1]

(c) Notwithstanding the provisions of subsection (a) of this section, an eligible person may be afforded educational assistance beyond the age limitation applicable to him under such subsection if (1) he suspends pursuit of his program of education after having enrolled in such program within the time period applicable to him under such subsection, (2) he is unable to complete such program after the period of suspension and before attaining the age limitation applicable to him under such subsection, and (3) the Administrator finds that the suspension was due to conditions beyond the control of such person; but in no event shall educational assistance be afforded such person by reason of this subsection beyond the age limitation applicable to him under subsection (a) of this section plus a period of time equal to the period he was required to suspend the pursuit of his program, or beyond his thirty-first birthday, whichever is earlier.

(d) Notwithstanding the provisions of subsection (a) of this section, an eligible person may be afforded educational assistance beyond the age limitation applicable to him under such subsection by a period of time equivalent to any period of time which elapses between the eighteenth birthday of such eligible person or the date on which an application for benefits of this chapter is filed on behalf of such eligible person, whichever is later, and the date of final approval of such application by the Administrator; but in no event shall educational assistance under this chapter be afforded an eligible person beyond his thirty-first birthday by reason of this subsection.

(e) The term "first finds" as used in this section means the effective date of the rating or date of notification to the veteran from whom eligibility is derived establishing a service-connected total disability permanent in nature whichever is more advantageous to the eligible person.

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[1] Sec. 2(f), Public Law 90–631: "Sec. 2(f). In the case of any person who is an eligible person by reason of subparagraph (B) or (C) of section 1701(a)(1) of title 38, United States Code (as added by subsection (b) of this section, if the date of death or the date of the determination of service connected total disability permanent in nature of the person from whom eligibility is derived occurred before the effective date of this section, the eight-year delimiting period referred to in section 1712(b) of such title (as amended by subsection (e)(2) of this section) shall run from such effective date."

(f) No person made eligible by section 1701(a)(1)(C) of this title may be afforded educational assistance under this chapter beyond eight years after the date on which her spouse was listed by the Secretary concerned in one of the categories referred to in such section or the date of enactment of this subsection, whichever last occurs.

(g) Any entitlement used by any eligible person as a result of eligibility under the provisions of section 1701(a)(1)(A)(iii) or 1701(a)(1)(C) of this title shall be deducted from any entitlement to which he may subsequently become entitled under the provisions of this chapter.

Sec. 1713. Application

The parent or guardian of a person for whom educational assistance is sought under this chapter shall submit an application to the Administrator which shall be in such form and contain such information as the Administrator shall prescribe. If the Administrator finds that the person on whose behalf the application is submitted is an eligible person, he shall approve the application provisionally. The Administrator shall notify the parent or guardian of his provisional approval, or of his disapproval of the application.

Sec. 1714. Processing of applications

(a) Further processing of an application for educational assistance and the award of such assistance shall be pursuant to the requirements of subchapters III and IV of this chapter unless the parent or guardian requests special restorative training for the eligible person, in which case the application will be processed under subchapter V of this chapter.

(b) If the request for special restorative training is approved, educational assistance will be afforded pursuant to the terms of subchapter V of this chapter. If the request for special restorative training is disapproved, or if approved the restorative training is completed or discontinued, any educational assistance subsequently afforded will be in accordance with subchapters III and IV of this chapter.

SUBCHAPTER III—PROGRAM OF EDUCATION

Sec. 1720. Development of Educational plan

(a) Upon provisional approval of an application for educational assistance for a person eligible within the meaning of section 1701(a)(1)(A), the Administrator shall arrange for, and the eligible person shall take advantage of, educational or vocational counseling to assist the parent or guardian and the eligible person in selecting his educational, vocational, or professional objective and in developing his program of education. During, or after, such counseling, the parent or guardian shall prepare for the eligible person an educational plan which shall set forth the selected objective, the proposed program of education, a list of the educational institutions at which such program would be pursued, an estimate of the sum which would be required for tuition and fees in completion of such program, and such other information as the Administrator shall require. This educational plan shall be signed by the parent or guardian and shall become an integral part of the application for educational assistance under this chapter.

(b) The Administrator may, on request, arrange for educational counseling for persons eligible for educational assistance under section 1701(a)(1) (B), (C), or (D) of this chapter.

Sec. 1721. Final approval of application

The Administrator shall finally approve an application if he finds (1) that section 1720 of this title has been complied with, (2) that the proposed program of education constitutes a "program of education" as that term is defined in this chapter, (3) that the eligible person is not already qualified, by reason of previous education or training, for the educational, professional, or vocational objective for which the courses of the program of education are offered, and (4) that it does not appear that the pursuit of such program would violate any provision of this chapter.

Sec. 1722. Change of program

An eligible person, with the concurrence of his parent or guardian, may request changes in his program. The Administrator shall approve an initial change of program, and may approve not more than one additional change, if he finds that—

(1) the program of education which the eligible person proposes to pursue is suitable to his aptitudes, interests, and abilities; and

(2) in any instance where the eligible persons has interrupted, or failed to progress in, his program due to his own misconduct, his own neglect, or his own lack of application, there exists a reasonable likelihood with respect to the program which the eligible person proposes to pursue that there will not be a recurrence of such an interruption or failure to progress.

Sec. 1723. Disapproval of enrollment in certain courses

(a) The Administrator shall not approve the enrollment of an eligible person in—

(1) any bartending course or personality development course;

(2) any sales or sales management course which does not provide specialized training within a specific vocational field, unless the eligible person or the institution offering such course submits justification showing that at least one-half of the persons completing such course over the preceding two-year period have been employed in the sales or sales management field; or

(3) any type of course which the Administrator finds to be avocational or recreational in character unless the eligible person submits justification showing that the course will be of bona fide use in the pursuit of his present or contemplated business or occupation.

(b) The Administrator shall not approve the enrollment of an eligible person in any course of flight training other than one given by an educational institution of higher learning for credit toward a standard college degree the eligible person is seeking.

(c) The Administrator shall not approve the enrollment of an eligible person in any course of apprentice or other training on the job, any course of institutional on-farm training, any course to be pursued by correspondence, open circuit television (except as herein provided), or a radio, or any course to be pursued at an educational institution not located in a State or in the Republic of the Philippines. The Administrator may approve the enrollment of an eligible person in a course, to be pursued in residence, leading to a standard college degree which includes, as an integral part thereof, subjects offered through the medium of open circuit televised instruction, if the major portion of the course requires conventional classroom or laboratory attendance. Notwithstanding the first sentence of this subsection, enrollment in a foreign educational institution may be approved by the Administrator in the case of any eligible person, if (1) the subjects to be taken by such person at such foreign educational institution are an integral part of and are fully creditable toward the satisfactory completion of an approved course in which such person is enrolled in an institution of higher learning (hereafter in this sentence referred to as his "principal institution") which is located in a State or in the Republic of the Philippines, (2) the tuition and fees for attendance at such foreign educational institution are paid for by the principal institution, and (3) the principal institution agrees to assume the responsibility for submitting to the Veterans' Administration required enrollment certificates and monthly certifications of training as to attendance, conduct, and progress.

(d) The Administrator shall not approve the enrollment of an eligible person in any course which is to be pursued as a part of his regular secondary school education, but this subsection shall not prevent the enrollment of an eligible person in a course to be pursued below the college level if the Administrator finds that such person has ended his secondary school education (by completion or otherwise) and that such course is a specialized vocational course pursued for the purpose of qualifying in a bona fide vocational objective.

Sec. 1724. Discontinuance for unsatisfactory progress

The Administrator shall discontinue the educational assistance allowance on behalf of an eligible person if, at any time, the Administrator finds that according to the regularly prescribed standards and practices of the educational institution he is attending, his conduct or progress is unsatisfactory. The Administrator may renew the payment of the educational assistance allowance only if he finds that—

(1) the cause of the unsatisfactory conduct or progress of the eligible person has been removed; and

(2) the program which the eligible person now proposes to pursue (whether the same or revised) is suitable to his aptitudes, interests, and abilities.

Sec. 1725. Period of operation for approval

(a) The Administrator shall not approve the enrollment of an eligible person in any course offered by an educational institution when such course has been in operation for less than two years.

(b) Subsection (a) shall not apply to—

(1) any course to be pursued in a public or other tax-supported educational institution;

(2) any course which is offered by an educational institution which has been in operation for more than two years, if such course is similar in character to the instruction previously given by such institution;

(3) any course which has been offered by an institution for a period of more than two years notwithstanding the institution has moved to another location within the same general locality; or

(4) any course which is offered by a nonprofit educational institution of college level and which is recognized for credit toward a standard college degree.

Subchapter IV—Payments to Eligible Persons

Sec. 1731. Educational assistance allowance

(a) The Administrator shall pay to the parent or guardian of each eligible person who is pursuing a program of education under this chapter, and who applies therefor on behalf of such eligible person, an educational assistance allowance to meet, in part, the expenses of the eligible person's subsistence, tuition, fees, supplies, books, equipment, and other educational costs.

(b) The educational assistance allowance on behalf of an eligible person shall be paid, as provided in section 1732 of this title, only for the period of his enrollment as approved by the Administrator, but no allowance shall be paid—

(1) on behalf of any person enrolled in a course which leads to a standard college degree for any period when such person is not pursuing his course in accordance with the regularly established policies and regulations of the educational institution and the requirements of this chapter; or

(2) on behalf of any person enrolled in a course which does not lead to a standard college degree for any day of absence in excess of thirty days in a twelve-month period, not counting as absences weekends or legal holidays established by Federal or State law (or in the case of the Republic of the Philippines, Philippine law) during which the institution is not regularly in session.

(c) The Administrator may, pursuant to such regulations as he may prescribe, determine enrollment in, pursuit of, and attendance at, any program of education or course by an eligible person for any period for which an educational assistance allowance is paid on behalf of such eligible person under this chapter for pursuing such program or course.

(d) No educational assistance allowance shall be paid on behalf of an eligible person enrolled in a course in an educational institution which does not lead to a standard college degree for any period until the Administrator shall have received—

(1) from the eligible person a certification as to his actual attendance during such period; and

(2) from the educational institution, a certification, or an endorsement on the eligible person's certificate, that he was enrolled in and pursuing a course of education during such period.

(e) Educational assistance allowances shall be paid as soon as practicable after the Administrator is assured of the eligible person's enrollment in and pursuit of the program of education for the period for which such allowance is to be paid. [Added P.L. 89-358, § 4(1).]

Sec. 1732. Computation of eucational assistance allowance

(a)(1) The educational assistance allowance on behalf of an eligible person who is pursuing a program of education consisting of institutional courses shall be computed at the rate of (A) $175 per month if pursued on a full-time basis, (B) $128 per month if pursued on a three-quarter-time basis, and (C) $81 per month if pursued on a half-time basis.

(2) The educational assistance allowance on behalf of an eligible person pursuing a program of education on less than a half-time basis shall be computed at the rate of (A) the established charges for tuition and fees which the institution requires other individuals enrolled in the same program to pay, or (B) $175 per month for a full-time course, whichever is the lesser.

(b) The educational assistance allowance to be paid on behalf of an eligible person who is pursuing a full-time program of education which consists of institutional courses and alternate phases of training in a business or industrial establishment with the training in the business or industrial establishment being strictly supplemental to the institutional portion, shall be computed at the rate of $141 per month.

(c) If a program of education is pursued by an eligible person at an institution located in the Republic of the Philippines, the educational assistance allowance computed for such person under this section shall be paid at a rate in Philippine pesos equivalent to $0.50 for each dollar.

Sec. 1733. Measurement of courses

(a) For the purposes of this chapter, (1) an institutional trade or technical course offered on a clock-hour basis below the college level involving shop practice as an integral part thereof, shall be considered a full-time course when a minimum of thirty hours per week of attendance is required with no more than two and one-half hours of rest periods per week allowed, (2) an institutional course offered on a clock-hour basis below the college level in which theoretical or classroom instruction predominates shall be considered a full-time course when a minimum of twenty-five hours per week net of instruction is required, and (3) an institutional undergraduate course offered by a college or university on a quarter- or semester-hour basis shall be considered a full-time course when a minimum of fourteen semester hours or the equivalent thereof, for which credit is granted toward a standard college degree (including those for which no credit is granted but which are required to be taken to correct an educational deficiency) is required except that where such college or univeresity certifies, upon the request of the Administrator, that (A) full-time tuition is charged to all undergraduate students carrying a minimum of less than fourteen such semester hours or the equivalent thereof, or (B) all undergraduate students carrying a minimum of less than fourteen such semester hours or the equivalent thereof, are considered to be pursuing a full-time course for other administrative purposes, then such an institutional undergraduate course offered by such college or university with such minimum number of such semester hours shall be considered a full-time course, but in the event such minimum number of semester hours is less than twelve semester hours or the equivalent thereof, then twelve semester hours or the equivalent thereof shall be considered a full-time course.

(b) The Administrator shall define part-time training in the case of the types of courses referred to in subsection (a), and shall define full-time and part-time training in the cases of all other types of courses pursued under this chapter.

Sec. 1734. Overcharges by educational institutions

(a) If the Administrator finds that an educational institution has charged or received from any eligible person pursuing a course of education under this chapter any amount in excess of the charges for tuition and fees which such institution requires similarly circumstanced students, not receiving educational assistance under this chapter, who are enrolled in the same course to pay, he may disapprove such educational institution for the enrollment of any eligible person not already enrolled therein under this chapter and any eligible veteran not already enrolled therein under chapter 31 or 34 of this title.

(b) Any educational institution which has been disapproved under section 1684 of this title shall be deemed to be disapproved for the enrollment under this chapter of any eligible person not already enrolled therein.

Sec. 1735. Approval of courses

An eligible person shall receive the benefits of this chapter while enrolled in a course of education offered by an educational institution only if such course (1) is approved in accordance with the provisions of subchapter I of chapter 36 of this title, or (2) is approved for the enrollment of the particular individual under the provisions of section 1737 of this title.

Sec. 1736. Discontinuance of allowances

The Administrator may discontinue the educational assistance allowance of any eligible person if he finds that the course of education in which the eligible person is enrolled fails to meet any of the requirements of this chapter, or of chapter 36 of this title, or if he finds that the educational institution offering such course has violated any provision of this chapter, or of chapter 36 of this title, or fails to meet any of its requirements.

Sec. 1737. Specialized vocational training courses

The Administrator may approve a specialized course of vocational training leading to a predetermined vocational objective for the enrollment of an eligible person under this subchapter if he finds that such course, either alone or when combined with other courses, constitutes a program of education which is suitable for that person and is required because of a member or physical handicap.

Subchapter V—Special Restorative Training

Sec. 1740. Purpose

The purpose of special restorative training is to overcome, or lessen, the effects of a manifest physical or mental disability which would handicap an eligible person in the pursuit of a program of education.

Sec. 1741. Entitlement to special restorative training

(a) The Administrator at the request of the parent or guardian of an eligible person is authorized—

(1) to determine whether such person is in need of special restorative training; and

(2) where need is found to exist, to prescribe a course which is suitable to accomplish the purposes of this chapter.

Such a course, at the discretion of the Administrator, may contain elements that would contribute toward an ultimate objective of a program of education.

(b) The total period of educational assistance under this subchapter and other subchapters of this chapter may not exceed the amount of entitlement as established in section 1711 of this title, except that the Administrator may extend such period in the case of any person if he finds that additional assistance is necessary to accomplish the purpose of special restorative training as stated in subsection (a) of this section.

Sec. 1742. Special training allowance

(a) While the eligible person is enrolled in and pursuing a full-time course of special restorative training, the parent or guardian shall be entitled to receive on his behalf a special training allowance computed at the basic rate of $175 per month. If the charges for tuition and fees applicable to any such course are more than $55 per calendar month the basic monthly allowance may be increased by the amount that such charges exceed $55 a month, upon election by the parent or guardian of the eligible person to have such person's period of entitlement reduced by one day for each $6.80 that the special training allowance paid exceeds the basic monthly allowance.

(b) No payments of a special training allowance shall be made for the same period for which the payment of an educational assistance allowance is made or for any period during which the training is pursued on less than a full-time basis.

(c) Full-time training for the purpose of this section shall be determined by the Administrator with respect to the capacities of the individual trainee.

Sec. 1743. Special administrative provisions

(a) In carrying out his responsibilities under this chapter the Administrator may by agreement arrange with public or private educational institutions or others to provide training arrangements as may be suitable and necessary to accomplish the purposes of this subchapter. In any instance where the Administrator finds that a customary tutition charge is not applicable, he may agree on the fair and reasonable amounts which may be charged the parent or guardian for the training provided to an eligible person.

(b) The Administrator shall make such rules and regulations as he may deem necessary in order to promote good conduct on the part of the persons who are following courses of special restorative training and otherwise to carry out the purposes of this chapter.

Subchapter VI—Miscellaneous Provisions

Sec. 1761. Authority and duties of Administrator

(a) The Administrator may provide the educational and vocational counseling required under section 1720 of this title, and may provide or require additional counseling if he deems it to be necessary to accomplish the purposes of this chapter.

(b) Where any provision of this chapter authorizes or requires any function, power, or duty to be exercised by a State, or by any officer or agency thereof, such function, power, or duty shall, with respect to the Republic of the Philippines, be exercised by the Administrator.

Sec. 1762. Nonduplication of benefits

The commencement of a program of education or special restorative training under this chapter shall be a bar (1) to subsequent payments of compensation, dependency and indemnity compensation, or pension based on the death of a parent to an eligible person over the age of eighteen by reason of pursuing a course in an educational institution, or (2) to increased rates, or additional amounts, of compensation, dependency and indemnity compensation, or pension because of such a person whether eligibility is based upon the death or upon the total permanent disability of the parent.

Sec. 1763. Notification of eligibility

The Administrator shall notify the parent or guardian of each eligible person defined in section 1701(a)(1)(A) of this chapter of the educational assistance available to such person under this chapter. Such notification shall be provided not later than the month in which such eligible person attains his thirteenth birthday or as soon thereafter as feasible.

Subchapter VII—Philippine Commonwealth Army and Philippine Scouts

Sec. 1765. Children of certain Philippine veterans

BASIC ELIGIBILITY

(a) The term "eligible person" as used in section 1701(a)(1) of this title includes the children of those Commonwealth Army veterans and "New" Philippine Scouts who meet the requirements of service-connected disability or death, based on service as defined in section 1766.

ADMINISTRATIVE PROVISIONS

(b) The provisions of this chapter and chapter 36 shall apply to the educational assistance for children of Commonwealth Army veterans and "New" Philippine Scouts, except that—

(1) educational assistance allowances authorized by section 1732 of this title and the special training allowance authorized by section 1742 of this title shall be paid at a rate in Philippine pesos equivalent of $0.50 for each dollar, and

(2) any reference to a State approving agency shall be deemed to refer to the Administrator.

DELIMITING DATES

(c) In the case of any individual who is an eligible person solely by virtue of subsection (a) of this section, and who is above the age of seventeen years and below the age of twenty-three years on September 30, 1966, the period referred to in section 1712 of this title shall not end until the expiration of the five-year period which begins on September 30, 1966.

Sec. 1766. Definitions

(a) The term "Commonwealth Army veterans" means persons who served before July 1, 1946, in the organized military forces of the Government of the Philippines, while such forces were in the service of the Armed Forces pursuant to the military order of the President dated July 26, 1941, including among such military forces organized guerrilla forces under commanders appointed, designated, or subsequently recognized by the Commander-in-Chief, Southwest Pacific Area, or other competent authority in the Army of the United States, and who were discharged or released from such service under conditions other than dishonorable.

(b) The term "'New' Philippine Scouts" means Philippine Scouts who served under section 14 of the Armed Forces Voluntary Recruitment Act of 1945, and who were discharged or released from such service under conditions other than dishonorable.

CHAPTER 36—ADMINISTRATION OF EDUCATIONAL BENEFITS

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Subchapter I—State Approving Agencies

Sec. 1770. Scope of approval

(a) A course approved under and for the purposes of this chapter shall be deemed approved for the purposes of chapters 34 and 35 of this title.

(b) Any course approved under chapter 33 of this title, prior to February 1, 1965, under subchapter VII of chapter 35 of this title, prior to the date of enactment of this chapter, and not disapproved under section 1686, section 1656 (as in effect prior to February 1, 1965), or section 1778 of this title, shall be deemed approved for the purposes of this chapter.

Sec. 1771. Designation

(a) Unless otherwise established by the law of the State concerned, the chief executive of each State is requested to create or designate a State department or agency, as the "State approving agency" for his State for the purposes of chapters 34 and 35 of this title.

(b) (1) If any State fails or declines to create or designate a State approving agency, the provisions of this chapter which refer to the State approving agency shall, with respect to such State, be deemed to refer to the Administrator.

(2) In the case of courses subject to approval by the Administrator under section 1772 of this title, the provisions of this chapter which refer to a State approving agency shall be deemed to refer to the Administrator.

Sec. 1772. Approval of courses

(a) An eligible person or veteran shall receive the benefits of chapters 34 and 35 while enrolled in a course of education offered by an educational institution only if (1) such course is approved as provided in chapters 34 and 35 by the State approving agency for the State where such educational institution is located, or by the Administrator, or (2) such course is approved (A) for the enrollment of the particular individual under the provisions of section 1737 of this title or (B) for special restorative training under subchapter V of chapter 35 of this title. Approval of courses by State approving agencies shall be in accordance with the provisions of chapters 34 and 35 and such other regulations and policies as the State approving agency may adopt. Each State approving agency shall furnish the Administrator with a current list of educational institutions specifying courses which it has approved, and, in addition to such list, it shall furnish such other information to the Administrator as it and the Administrator may determine to be necessary to carry out the purposes of chapters 34 and 35. Each State approving agency shall notify the Administrator of the disapproval of any course previously approved and shall set forth the reasons for such disapproval.

(b) The Administrator shall be responsible for the approval of courses of education offered by any agency of the Federal Government authorized under other laws to supervise such education. The Administrator may approve any course in any other educational institution in accordance with the provisions of chapters 34 and 35.

(c) In the case of programs of apprenticeship where—

(1) the standards have been approved by the Secretary of Labor pursuant to section 50a of title 29 as a national apprenticeship program for operation in more than one State, and

(2) the training establishment is a carrier directly engaged in interstate commerce which provides such training in more than one State,

the Administrator shall act as a "State approving agency" as such term is used in section 1683(a)(1) of this title and shall be responsible for the approval of all such programs.

Sec. 1773. Cooperation

(a) The Administrator and each State approving agency shall take cognizance of the fact that definite duties, functions, and responsibilities are conferred upon the Administrator and each State approving agency under the educational programs established under chapters 34 and 35. To assure that such programs are effectively and efficiently administered, the cooperation of the Administrator and the State approving agencies is essential. It is necessary to establish an exchange of information pertaining to activities of educational institutions, and particular attention should be given to the enforcement of approval standards, enforcement of enrollment restrictions, and fraudulent and other criminal activities on the part of persons connected with educational institutions in which eligible persons or veterans are enrolled under chapters 34 and 35.

(b) The Administrator will furnish the State approving agencies with copies of such Veterans' Administration informational material as may aid them in carrying out chapters 34 and 35.

Sec. 1774. Reimbursement of expenses

(a) The Administrator is authorized to enter into contracts or agreements with State and local agencies to pay such State and local agencies for reasonable and necessary expenses of salary and travel incurred by employees of such agencies and an allowance for administrative expenses in accordance with the formula contained in subsection (b) of this section in (1) rendering necessary services in ascertaining the qualifications of educational institutions for furnishing courses of education to eligible persons or veterans under chapters 34 and 35, and in the supervision of such educational institutions, and (2) furnishing, at the request of the Administrator, any other services in connection with chapters 34 and 35. Each such contract or agreement shall be conditioned upon compliance with the standards and provisions of chapters 34 and 35.

(b) The allowance for administrative expenses incurred pursuant to subsection (a) of this section shall be paid in accordance with the following formula:

Total salary cost reimbursable under this section	*Allowance for administrative expense*
$5,000 or less	$250.
Over $5,000 but not exceeding $10,000	$450.
Over $10,000 but not exceeding $35,000	$450 for the first $10,000 plus $400 for each additional $5,000 or fraction thereof.
Over $35,000 but not exceeding $40,000	$2,625.
Over $40,000 but not exceeding $75,000	$5,225 for the first $80,000 plus $300 for each additional $5,000 or fraction thereof.
Over $75,000 but not exceeding $80,000	$5,225.
Over $80,000	$5,225 for the first $80,000 plus $300 for each additional $5,000 or fraction thereof

Sec. 1775. Approval of accredited courses

(a) A State approving agency may approve the courses offered by an educational institution when—

(1) such courses have been accredited and approved by a nationally recognized accrediting agency or association;

(2) such courses are conducted under section 11–28 of title 20; or

(3) such courses are accepted by the State department of education for credit for a teacher's certificate or a teacher's degree.

For the purposes of this chapter the Commissioner of Education shall publish a list of nationally recognized accrediting agencies and associations which he determines to be reliable authority as to the quality of training offered by an educational institution and the State approving agencies may, upon concurrence, utilize the accreditation of such accrediting associations or agencies for approval of the courses specifically accredited and approved by such accrediting association or agency. In making application for approval, the institution shall transmit to the State approving agency copies of its catalog or bulletin.

(b) As a condition to approval under this section, the State approving agency must find that adequate records are kept by the educational institution to show the progress of each eligible person or veteran. The State approving agency must also find that the educational institution maintains a written record of the previous education and training of the eligible person or veteran and clearly indicates that appropriate credit has been given by the institution for previous education and training, within the training period shortened proportionately and the eligible person or veteran and the Administrator so notified.

Sec. 1776. Approval of nonaccredited courses

(a) No course of education which has not been approved by a State approving agency pursuant to section 1775 of this title, which is offered by a public or private, profit or nonprofit, educational institution shall be approved for the purposes of this chapter unless the educational institution offering such course submits to the appropriate State approving agency a written application for approval of such course in accordance with the provisions of this chapter.

(b) Such application shall be accompanied by not less than two copies of the current catalog or bulletin which is certified as true and correct in content and policy by an authorized owner or official and includes the following:

(1) Identifying data, such as volume number and date of publication;

(2) Names of the institution and its governing body, officials and faculty;

(3) A calendar of the institution showing legal holidays, beginning and ending date of each quarter, term, or semester, and other important dates;

(4) Institution policy and regulations on enrollment with respect to enrollment dates and specific entrance requirements for each course;

(5) Institution policy and regulations relative to leave, absences, class cuts, makeup work, tardiness and interruptions for unsatisfactory attendance;

(6) Institution policy and regulations relative to standards of progress required of the student by the institution (this policy will define the grading system of the institution, the minimum grades considered satisfactory, conditions for interruption for unsatisfactory grades or progress and a description of the probationary period, if any, allowed by the institution, and conditions of reentrance for those students dismissed for unsatisfactory progress. A statement will be made regarding progress records kept by the institution and furnished the student);

(7) Institution policy and regulations relating to student conduct and conditions for dismissal for unsatisfactory conduct;

(8) Detailed schedules of fees, charges for tuition, books, supplies, tools, student activities, laboratory fees, services charges, rentals, deposits, and all other charges;

(9) Policy and regulations of the institution relative to the refund of the unused portion of tuition, fees, and other charges in the event the student does not enter the course or withdraws or is discontinued therefrom;

(10) A description of the available space, facilities, and equipment;

(11) A course outline for each course for which approval is requested, showing subjects or units in the course, type of work or skill to be learned, and approximate time and clock hours to be spent on each subject or unit; and

(12) Policy and regulations of the institution relative to granting credit for previous educational training.

(c) The appropriate State approving agency may approve the application of such institution when the institution and its nonaccredited courses are found upon investigation to have met the following criteria:

(1) The courses, curriculum, and instruction are consistent in quality, content, and length with similar courses in public schools and other private schools in the State, with recognized accepted standards.

(2) There is in the institution adequate space, equipment, instructional material, and instructor personnel to provide training of good quality.

(3) Educational and experience qualifications of directors, administrators, and instructors are adequate.

(4) The institution maintains a written record of the previous education and training of the eligible person and clearly indicates that appropriate credit has been given by the institution for previous education and training, with the training period shortened proportionately and the eligible person and the Administrator so notified.

(5) A copy of the course outline, schedule of tuition, fees, and other charges, regulations pertaining to absence, grading policy, and rules of operation and conduct will be furnished the eligible person upon enrollment.

(6) Upon completion of training, the eligible person is given a certificate by the institution indicating the approved course and indicating that training was satisfactorily completed.

(7) Adequate records as prescribed by the State approving agency are kept to show attendance and progress or grades, and satisfactory standards relating to attendance, progress, and conduct are enforced.

(8) The institution complies with all local, city, county, municipal, State, and Federal regulations, such as fire codes, building and sanitation codes. The State approving agency may require such evidence of compliance as is deemed necessary.

(9) The institution is financially sound and capable of fulfilling its commitments for training.

(10) The institution does not utilize advertising of any type which is erroneous or misleading, either by actual statement, omission, or intimation. The institution shall not be deemed to have met this requirement until the State approving agency (A) has ascertained from the Federal Trade Commission whether the Commission has issued an order to the institution to cease and desist from any act or practice, and (B) has, if such an order has been issued, given due weight to that fact.

(11) The institution does not exceed its enrollment limitations as established by the State approving agency.

(12) The institution's administrators, directors, owners, and instructors are of good reputation and character.

(13) The institution has and maintains a policy for the refund of the unused portion of tuition fees, and other charges in the event the eligible person fails to enter the course or withdraws or is discontinued therefrom at any time prior to completion and such policy must provide that the amount charged to the eligible person for tuition, fees, and other charges for a portion of the course shall not exceed the approximate pro rata portion of the total charges for tuition, fees, and other charges that the length of the completed portion of the course bears to its total length.

(14) Such additional criteria as may be deemed necessary by the State approving agency.

Sec. 1777. Approval of training on the job

(a) Any State approving agency may approve a program of training on the job (other than a program of apprenticeship) only when it finds that the job is the objective of the training is one in which progression and appointment to the next higher classification are based upon skills learned through organized and supervised training on the job and not on such factors as length of service and normal turnover, and that the provisions of subsections (b) and (c) of this section are met.

(b) The training establishment offering training which is desired to be approved for the purposes of this chapter must submit to the appropriate State approving agency a written application for approval which, in addition to furnishing such information as is required by the State approving agency, contains a certification that—

(1) the wages to be paid the eligible veterans (A) upon entrance into training are not less than wages paid nonveterans in the same training position and are at least 50 per centum of the wages paid for the job for which he is to be trained, and (B) such wages will be increased in regular periodic increments until, not later than the last full month of the training period, they will be at least 85 per centum of the wages paid for the job for which such eligible veteran is being trained; and

(2) there is reasonable certainty that the job for which the eligible veteran is to be trained will be available to him at the end of the training period.

(c) As a condition for approving a program of training on the job (other than a program of apprenticeship) the State approving agency must find upon investigation that the following criteria are met:

(1) The training content of the course is adequate to qualify the eligible veteran for appointment to the job for which he is to be trained.

(2) The job customarily requires full-time training for a period of not less than six months and not more than two years.

(3) The length of the training period is not longer than that customarily required by the training establishments in the community to provide an eligible veteran with the required skills, arrange for the acquiring of job knowledge, technical information, and other facts which the eligible veteran will need to learn in order to become competent on the job for which he is being trained.

(4) Provision is made for related instruction for the individual eligible veteran who may need it.

(5) There is in the training establishment adequate space, equipment, instructional material, and instructor personnel to provide satisfactory training on the job.

(6) Adequate records are kept to show the progress made by each eligible veteran toward his job objective.

(7) No course of training will be considered bona fide if given to an eligible veteran who is already qualified by training and experience for the job.

(8) A signed copy of the training agreement for each eligible veteran, including the training program and wage scale as approved by the State approving agency, is provided to the veteran and to the Administrator and the State approving agency by the employer.

(9) That the course meets such other criteria as may be established by the State approving agency.

Sec. 1778. Notice of approval of courses

The State approving agency, upon determining that an educational institution has complied with all the requirements of this chapter, will issue a letter to such institution setting forth the courses which have been approved for the purposes of this chapter, and will furnish an official copy of such letter and any subsequent amendments to the Administrator. The letter of approval shall be accompanied by a copy of the catalog or bulletin of the institution, as approved by the State approving agency, and shall contain the following information:

(1) date of letter and effective date of approval of courses;

(2) proper address and name of each educational institution;

(3) authority for approval and conditions of approval, referring specifically to the approved catalog or bulletin published by the educational institution;

(4) name of each course approved;

(5) where applicable, enrollment limitations such as maximum numbers authorized and student-teacher ratio;

(6) signature of responsible official of State approving agency; and

(7) such other fair and reasonable provisions as are considered necessary by the appropriate State approving agency.

Sec. 1779. Disapproval of courses

(a) Any course approved for the purposes of this chapter which fails to meet any of the requirements of this chapter shall be immediately disapproved by the appropriate State approving agency. An educational institution which has its courses disapproved by a State approving agency will be notified of such disapproval by a certified or registered letter of notification and a return receipt secured.

(b) Each State approving agency shall notify the Administrator of each course which it has disapproved under this section. The Administrator shall notify the State approving agency of his disapproval of any educational institution under chapter 31 of this title.

Subchapter II—Miscellaneous Provisions

Sec. 1781. Limitations on educational assistance

No educational assistance allowance or special training allowance granted under chapter 34 or 35 of this title shall be paid to any eligible person (1) who is on active duty and is pursuing a course of education which is being paid for by the Armed Forces (or by the Department of Health, Education, and Welfare in the case of the Public Health Service); or (2) who is attending a course of education or training paid for under the Government Employees' Training Act and whose salary is being paid to him while so training.

Sec. 1782. Control by agencies of the Unite States

No department, agency, or officer of the United States, in carrying out this chapter, shall exercise any supervision or control, whatsoever, over any State approving agency, or State educational agency, or any educational institution. Nothing in this section shall be deemed to prevent any department, agency, or officer of the United States from exercising any supervision or control which such department, agency, or officer is authorized by law to exercise over any Federal educational institution or to prevent the furnishing of education under chapter 34 or 35 of this title in any institution over which supervision or control is exercised by such other department, agency, or office under authority of law.

Sec. 1783. Conflicting interests

(a) Every officer or employee of the Veterans' Administration who has, while such an officer or employee, owned any interest in, or received any wages, salary, dividends, profits, gratuities, or services from, any educational institution operated for profit in which an eligible person or veteran was pursuing a program of education or course under chapter 34 or 35 shall be immediately dismissed from his office or employment.

(b) If the Administrator finds that any person who is an officer or employee of a State approving agency has, while he was such an officer or employee, owned any interest in, or received any wages, salary, dividends, profits, gratuities, or services from, an educational institution operated for profit in which an eligible person or veteran was pursuing a program of education or course under chapter 34 or 35 of this title, he shall discontinue making payments under section 1774 of this title to such State approving agency unless such agency shall, without delay, take such steps as may be necessary to terminate the employment of such person and such payments shall not be resumed while such person is an officer or employee of the State approving agency, or State department of veterans' affairs or State department of education.

(c) A State approving agency shall not approve any course offered by an educational institution operated for profit, and, if any such course has been approved, shall disapprove each such course, if it finds that any officer or employee of the Veterans' Administration of the State approving agency owns an interest in, or receives any wages, salary, dividends, profits, gratuities, or services from, such institution.

(d) The Administrator may, after reasonable notice and public hearings, waive in writing the application of this section in the case of any officer or employee of the Veterans' Administration or of a State approving agency, if he finds that no detriment will result to the United States or to eligible persons or veterans by reasons of such interest or connection of such officer or employee.

Sec. 1784. Reports by institutions: reporting fee

(a) Educational institutions shall, without delay, report to the Administrator in the form prescribed by him, the enrollment, interruption, and termination of the education of each eligible person or veteran enrolled therein under chapter 34 or 35.

(b) The Administrator may pay to any educational institution furnishing education under either chapter 34 or 35 of this title, a reporting fee which will be in lieu of any other compensation or reimbursement for reports or certifications which such educational institution is required to report to him by law or regulation. Such reporting fee shall be computed for each calendar year by multiplying $3 by the number of eligible veterans enrolled under chapter 34 of this title, plus the number of eligible persons enrolled under chapter 35 of this title, on October 31 of that year; except that the Administrator may, where it is established by the educational institution that eligible veteran plus eligible person enrollment on such date varies more than 15 per centum from the peak eligible veteran plus eligible person enrollment in such institution during such calendar year, establish such other date as representative of the peak enrollment as may be justified for that institution. The reporting fee shall be paid to the educational institution as soon as feasible after the end of the calendar year for which it is applicable.

Sec. 1785. Overpayments to eligible persons or veterans

Whenever the Administrator finds that an overpayment has been made to an eligible person or veteran as the result of (1) the willful or negligent failure of an educational institution to report, as required by chapter 34 or 35 of this title and applicable regulations, to the Veterans' Administration excessive absences from a course, or discontinuance or interruption of a course by the eligible person or veteran, or (2) false certification by an educational institution, the amount of such overpayment shall constitute a liability of such institution, and may be recovered in the same manner as any other debt due the United States. Any amount so collected shall be reimbursed if the overpayment is recovered from the eligible person or veteran. This section shall not preclude the imposition of any civil or criminal liability under this or any other law.

Sec. 1786. Examination of records

The records and accounts of educational institutions pertaining to eligible persons or veterans who received education under chapter 34 or 35 of this title shall be available for examination by duly authorized representatives of the Government.

Sec. 1787. False or misleading statements

Whenever the Administrator finds that an educational institution has willfully submitted a false or misleading claim, or that a person or veteran, with the complicity of an educational institution, has submitted such a claim, he shall make a complete report of the facts of the case to the appropriate State approving agency and, where deemed advisable, to the Attorney General of the United States for appropriate action.

Sec. 1788. Advisory committee

There shall be an advisory committee formed by the Administrator which shall be composed of persons who are eminent in their respective fields of education, labor, and management, and of representatives of the various types of institutions and establishments furnishing vocational rehabilitation under chapter 31 of this title or education to eligible persons or veterans enrolled under chapter 34 or 35 of this title. The Commisioner of Education and the Administrator, Manpower Administration, Department of Labor, shall be ex officio members of the advisory committee. The Administrator shall advise and consult with the committee from time to time with respect to the administration of this chapter and chapters 31, 34, and 35 of this title, and the committee may make such reports and recommendations as it deems desirable to the Administrator and to the Congress.

Sec. 1789. Institutions listed by Attorney General

The Administrator shall not approve the enrollment of, or payment of an educational assistance allowance to, any eligible veteran or eligible person under chapter 34 or 35 of this title in any course in an educational institution while it is listed by the Attorney General under section 12 of Executive Order 10450.

Sec. 1790. Use of other Federal agencies

In carrying out his functions under this chapter or chapter 34 or 35 of this title, the Administrator may utilize the facilities and services of any other Federal department or agency. Any such utilization shall be pursuant to proper agreement with the Federal department or agency concerned; and payment to cover the cost thereof shall be made either in advance or by way of reimbursement, as may be provided in such agreement.

Sec. 1791. Limitation on period of assistance under two or more programs

The aggregate period for which any person may receive assistance under two or more of the laws listed below—

(1) part VII or VIII, Veterans Regulation numbered 1(a), as amended;

(2) title II of the Veterans' Readjustment Assistance Act of 1952;

(3) the War Orphans' Educational Assistance Act of 1956;

(4) chapters 31, 34, and 35 of this title, and the former chapter 33.

may not exceed forty-eight months (or the part-time equivalent thereof), but this section shall not be deemed to limit the period for which assistance may be received under chapter 31 alone.

NATIONAL SCHOOL LUNCH ACT

(42 U.S.C. 1751)

AN ACT To provide assistance to the States in the establishment, maintenance, operation, and expansion of school-lunch programs, and for other purposes

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "National School Lunch Act."

DECLARATION OF POLICY

SEC. 2. It is hereby declared to be the policy of Congress, as a measure of national security, to safeguard the health and well-being of the Nation's children and to encourage the domestic consumption of nutritious agricultural commodities and other food, by assisting the States, through grants-in-aid and other means, in providing an adequate supply of foods and other facilities for the establishment, maintenance, operation, and expansion of nonprofit school-lunch programs.

APPROPRIATIONS AUTHORIZED

SEC. 3. For each fiscal year there is hereby authorized to be appropriated, out of money in the Treasury not otherwise appropriated, such sums as may be necessary to enable the Secretary of Agriculture (hereinafter referred to as "the Secretary") to carry out the provisions of this Act, other than sections 11 and 13. Appropriations to carry out the provisions of this Act and of the Child Nutrition Act of 1966 for any fiscal year are authorized to be made a year in advance of the beginning of the fiscal year in which the funds will become available for disbursement to the States. Notwithstanding any other provision of law, any funds appropriated to carry out the provisions of such Acts shall remain available for the purposes of the Act for which appropriated until expended.

APPORTIONMENTS TO STATES

SEC. 4. The sums appropriated for any fiscal year pursuant to the authorization contained in section 3 of this Act, excluding the sum specified in section 5, shall be available to the Secretary for supplying agricultural commodities and other foods for the program in accordance with the provisions of this Act. The Secretary shall apportion among the States during each fiscal year not less than 75 per centum of the funds made available for such year for supplying agricultural commodities and other foods under the provisions of section 3 of this Act. Apportionment among the States shall be made upon the basis of two factors: (1) the participation rate for the State, and (2) the assistance need rate for the State. The amount of apportionment to any State shall be determined by the following method: First, determine an index for the State by multiplying factors (1) and (2); second, divide this index by the sum of the indices for all the States (exclusive of American Samoa for periods ending before July 1, 1967); and third, apply the figure thus obtained to the total funds to be apportioned. If any State cannot utilize all funds so apportioned to it, or if additional funds are made available under section 3 for apportionment among the States, the Secretary shall make further apportionments to the remaining States in the same manner. Notwithstanding the foregoing provisions of this section, (1) for the fiscal year beginning July 1, 1962, three-quarters of any funds available for apportionment among the States shall be apportioned in the manner used prior to such fiscal year, and one-quarter of any such funds shall be apportioned in accordance with the foregoing sentences of this section, (2) for the fiscal year beginning July 1, 1963, one-half of any funds available for apportionment among the States shall be apportioned in the manner used prior to the fiscal year beginning July 1, 1962, and one-half of any such funds shall be apportioned in accordance with the foregoing sentences of this section, (3) for the fiscal year beginning July 1, 1964, one-quarter of any funds available for apportionment among the States shall be apportioned in the manner used prior to the fiscal year beginning July 1, 1962, and three-quarters of any such funds shall be apportioned in accordance with the foregoing sentences of this section, and (4) for the five fiscal years in the period beginning July 1, 1962, and ending June 30, 1967, the amount apportioned to American Samoa shall be $25,000 each year, which amount shall be first deducted from the funds available for apportionment in determining the amounts to be apportioned to the other States.

NONFOOD ASSISTANCE

SEC. 5. Of the sums appropriated for any fiscal year pursuant to the authorization contained in section 3 of the Act, $10,000,000 shall be available to the Secretary for the purpose of providing, during such fiscal year, nonfood assistance for the school-lunch program pursuant to the provisions of this Act. The Secretary shall apportion among the States during each fiscal year the aforesaid sum of $10,000,000, and such apportionment among the States shall be on the basis of the factors, and in accordance with the standards set forth in section 4 with respect to the apportionment for agricultural commodities and other foods.

DIRECT FEDERAL EXPENDITURES

SEC. 6. The funds provided by appropriation or transfer from other accounts for any fiscal year for carrying out the provisions of this Act, and for carrying out the provisions of the Child Nutrition Act of 1966, other than section 3 thereof, less

(1) not to exceed 3½ per centum thereof which per centum is hereby made available to the Secretary for his administrative expenses under this Act and under the Child Nutrition Act of 1966;

(2) the amount apportioned by him pursuant to sections 4 and 5 of this Act and the amount appropriated pursuant to sections 11 and 13 of this Act and sections 4, 5, and 7 of the Child Nutrition Act of 1966; and

(3) not to exceed 1 per centum of the funds provided for carrying out the programs under this Act and the programs under the Child Nutrition Act of 1966, other than section 3, which per centum is hereby made available to the Secretary to supplement the nutritional benefits of these programs through grants to States and other means for nutritional training and education for workers, cooperators, and participants in these programs and for necessary surveys and studies of requirements for food service programs in furtherance of the purposes expressed in section 2 of this Act and section 2 of the Child Nutrition Act of 1966,

shall be available to the Secretary during such year for direct expenditure by him for agricultural commodities and other foods to be distributed among the States and schools and service institutions participating in the food service programs under this Act and under the Child Nutrition Act of 1966 in accordance with the needs as determined by the local school and service institution authorities. The provisions of law contained in the proviso of the Act of June 28, 1937 (50 Stat. 323), facilitating operations with respect to the purchase and disposition of surplus agricultural commodities under section 32 of the Act approved August 24, 1935 (49 Stat. 774), as amended, shall, to the extent not inconsistent with the provisions of this Act, also be applicable to expenditures of funds by the Secretary under this Act.

Payments to States

Sec. 7. Funds apportioned to any State pursuant to section 4 or 5 during any fiscal year shall be available for payment to such State for disbursement by the State educational agency, in accordance with such agreements not inconsistent with the provisions of this Act, as may be entered into by the Secretary and such State educational agency, for the purpose of assisting schools of that State during such fiscal year, in supplying (1) agricultural commodities and other foods for consumption by children and (2) nonfood assistance in furtherance of the school lunch program authorized under this Act. Such payments to any State in any fiscal year during the period 1947 to 1950, inclusive, shall be made upon condition that each dollar thereof will be matched during such year by $1 from sources within the State determined by the Secretary to have been expended in connection with the school-lunch program under this Act. Such payments in any fiscal year during the period 1951 to 1955, inclusive, shall be made upon condition that each dollar thereof will be so matched by one and one-half dollars; and for any fiscal year thereafter, such payments shall be made upon condition that each dollar will be so matched by $3. In the case of any State whose per capita income is less than the per capita income of the United States, the matching required for any fiscal year shall be decreased by the percentage which the State per capita income is below the per capita income of the United States. For the purpose of determining whether the matching requirements of this section and section 10, respectively, have been met, the reasonable value of donated services, supplies, facilities, and equipment as certified, respectively, by the State educational agency and in case of schools receiving funds pursuant to section 10, by such schools (but not the cost or value of land, of the acquisition, construction, or alteration of buildings of commodities donated by the Secretary, or of Federal contributions), may be regarded as funds from sources within the State expended in connection with the school lunch program. For the fiscal year beginning July 1, 1972, State revenue (other than revenues derived from the program) appropriated or utilized specifically for program purposes (other than salaries and administrative expenses at the State, as distinguished from local, level) shall constitute at least 4 per centum of the matching requirement; for each of the two succeeding fiscal years, at least 6 per centum of the matching requirement; for each of the subsequent two fiscal years, at least 8 per centum of the matching requirement; and for each fiscal year thereafter, at least 10 per centum of the matching requirement. The State revenues made available pursuant to the preceding sentence shall be disbursed to schools, to the extent the State deems practicable, in such manner that each school receives the same proportionate share of such revenues as it receives of the funds apportioned to the State for the same year under sections 4 and 11 of the National School Lunch Act and sections 4 and 5 of the Child Nutrition Act of 1966. The Secretary shall certify to the Secretary of the Treasury from time to time the amounts to be paid to any State under this section and the time or times such amounts are to be paid; and the Secretary of the Treasury shall pay to the State at the time or times fixed by the Secretary the amounts so certified.

STATE DISBURSEMENT TO SCHOOLS

SEC. 8. Funds paid to any State during any fiscal year pursuant to sections 4 and 5 shall be disbursed by the State educational agency in accordance with such agreements approved by the Secretary as may be entered into by such State agency and the schools in the State, to those schools in the State which the State educational agency, taking into account need and attendance, determines are eligible to participate in the school-lunch program. Such disbursement to any school shall be made only for the purpose of reimbursing it for the cost of obtaining agricultural commodities and other foods for consumption by children in the school-lunch program and nonfood assistance in connection with such program. Such food costs may include, in addition to the purchase price of agricultural commodities and other foods, the cost of processing, distributing, transporting, storing, or handling thereof. In no event shall such disbursement for food to any school for any fiscal year exceed an amount determined by multiplying the number of lunches served in the school in the school-lunch program under this Act during such year by the maximum Federal food-cost contribution rate for the State, for the type of lunch served, as prescribed by the Secretary.

NUTRITIONAL AND OTHER PROGRAM REQUIREMENTS

SEC. 9. Lunches served by schools participating in the school-lunch program under this Act shall meet minimum nutritional requirements prescribed by the Secretary on the basis of tested nutritional research; except that such minimum nutritional requirements shall not be construed to prohibit the substitution of foods to accommodate the medical or other special dietary needs of individual students. Such meals shall be served without cost or at a reduced cost not exceeding 20 cents per meal to children who are determined by local school authorities to be unable to pay the full cost of the lunch. Such determinations shall be made by local school authorities in accordance with a publicly announced policy and plan applied equitably on the basis of criteria which, as a minimum, shall include the level of family income, including welfare grants, the number in the family unit, and the number of children in the family unit attending school or service institutions; but, by January 1, 1971, any child who is a member of a household which has an annual income not above the applicable family size income level set forth in the income poverty guidelines shall be served meals free or at reduced cost. The income poverty guidelines to be used for any fiscal year shall be those prescribed by the Secretary as of July 1 of such year. In providing meals free or at reduced cost to needy children, first priority shall be given to providing free meals to the neediest children. Determination with respect to the annual income of any household shall be made soley on the basis of an affidavit executed in such form as the Secretary may prescribe by an adult member of such household. No physical segregation of or other discrimination against any child shall be made by the school because of his inability to pay nor shall there be any overt identification of any such child by special tokens or tickets, announced or published lists of names or other means. School-lunch programs under this Act shall be operated on a nonprofit basis. Each school shall, insofar as practicable, utilize in its lunch program commodities designated from time to time by the Secretary as being in abundance, either nationally or in the school area, or commodities donated by the Secretary. Commodities purchased under the authority of section 32 of the Act of August 24, 1935 (49 Stat. 774), as amended, may be donated by the Secretary to schools, in accordance with the needs as determined by local school authorities, for utilization in the school-lunch program under this Act as well as to other schools carrying out nonprofit school-lunch programs and institutions authorized to receive such commodities. The Secretary is authorized to prescribe terms and conditions respecting the use of commodities donated under such section 32, under section 416 of the Agricultural Act of 1949, as amended, and under section 709 of the Food and Agriculture Act of 1965, as amended, as will maximize the nutritional and financial contributions of such donated commodities in such schools and institutions. The requirements of this section relating to the service of meals without cost or at a reduced cost shall apply to the lunch program of any school utilizing commodities donated under any of the provisions of law referred to in the preceding sentence. None of the requirements of this section in respect to the amount for 'reduced cost' meals and to eligibility for meals without cost shall apply to nonprofit private schools which participate in the school lunch program under the provisions of section 10 until such time as the Secretary certifies that sufficient funds from sources other than children's payments are available to enable such schools to meet these requirements.

NONPROFIT PRIVATE SCHOOLS

SEC. 10. If, in any State, the State educational agency is not permitted by law to disburse the funds paid to it under this Act to nonprofit private schools in the State, or is not permitted by law to match Federal funds made available for use by such nonprofit private schools, the Secretary shall withhold from the funds apportioned to any such State under sections 4 and 5 of this Act an amount which bears the same ratio to such funds as the number of lunches, consisting of a combination of foods and meeting the minimum requirements prescribed by the Secretary pursuant to section 9, served in the fiscal year beginning two years immediately prior to the fiscal year for which the Federal funds are appropriated by all nonprofit private schools participating in the program under this Act within the State, as determined by the Secretary, bears to the participation rate for the State. The Secretary shall disburse the funds so withheld directly to the nonprofit private schools within said State for the same purposes and subject to the same conditions as are authorized or required with respect to the disbursement to schools within the State by the State educational agency, including the requirement that any such payment or payments shall be matched, in the proportion specified in section 7 for such State, by funds from sources within the State expended by nonprofit private schools within the State participating in the school-lunch program under this Act. Such funds shall not be considered a part of the funds constituting the matching funds under the terms of section 7.

Special Assistance

Sec. 11. (a) There are hereby authorized to be appropriated for the fiscal year ending June 30, 1971, and for each succeeding fiscal year such sums as may be necessary to provide special assistance to assure access to the school lunch program under this Act by children of low-income families.

(b) Of the sums appropriated pursuant to this section for any fiscal year, 3 per centum shall be available for apportionment to Puerto Rico, the Virgin Islands, Guam, and American Samoa. From the funds so available the Secretary shall apportion to each such State an amount which bears the same ratio to such funds as the number of children aged three to seventeen, inclusive, in such State bears to the total number of such children in all such States. If any such State cannot utilize for the purposes of this section all of the funds so apportioned to it, the Secretary shall make further apportionment on the same basis as the initial apportionment to any such State which justifies, on the basis of operating experience, the need for additional funds for such purposes.

(c) The remaining sums appropriated pursuant to this section for any fiscal year shall be apportioned among States, other than Puerto Rico, the Virgin Islands, Guam, and American Samoa. The amount apportioned to each such State shall bear the same ratio to such remaining funds as the number of children in such State aged three to seventeen, inclusive, in households with incomes of less than $4,000 per annum bears to the total number of such children in all such States. If any such State cannot utilize for the purposes of this section all of the funds so apportioned to it, the Secretary shall make further apportionment on the same basis as the initial apportionment to any such State which justifies, on the basis of operating experience, the need for such additional funds for such purposes.

(d) Payment of the funds apportioned to any State under this section shall be made as provided in the last sentence of section 7 of this Act.

(e) Funds paid to any State for any fiscal year pursuant to this section shall be disbursed to schools in such State to assist them in financing all or part of the operating costs of the school lunch program in such schools including the costs of obtaining, preparing, and serving food. The amounts of funds that each school shall from time to time receive, within a maximum per meal amount established by the Secretary for all States, shall be based on the need of the school for assistance in meeting the requirements of section 9 of this Act concerning the service of lunches to children unable to pay the full cost of such lunches.

(f) If in any State the State educational agency is not permitted by law to disburse funds paid to it under this Act to nonprofit private schools in the State, the Secretary shall withhold from the funds apportioned to such State under subsection (b) or (c) of this section an amount which bears the same ratio to such funds as the number of free or reduced-price lunches served in accordance with section 9 of this Act in the fiscal year beginning two years immediately prior to the fiscal year for which the funds are appropriated, by all nonprofit private schools participating in the program under this Act in such

State, bears to the number of such free and reduced-price lunches served during such prior year by all schools participating in the program under this Act in such State. The Secretary shall disburse the funds so withheld directly to the nonprofit private schools within such State for the same purposes and subject to the same conditions as are applicable to a State educational agency disbursing funds under this section.

(g) In carrying out this section, the terms and conditions governing the operation of the school lunch program set forth in other sections of this Act, including those applicable to funds apportioned or paid pursuant to section 4 or 5 but excluding the provisions of section 7 relating to matching, shall be applicable to the extent they are not inconsistent with the express requirements of this section.

(h)(1) Not later than January 1 of each year, each State educational agency shall submit to the Secretary, for approval by him as a prerequisite to receipt of Federal funds or any commodities donated by the Secretary for use in programs under this Act and the Child Nutrition Act of 1966, a State plan of child nutrition operations for the following fiscal year, which shall include, as a minimum, a description of the manner in which the State educational agency proposes (A) to use the funds provided under this Act and funds from sources within the State to furnish a free or reduced-price lunch to every needy child in accordance with the provisions of section 9; (B) to extend the school-lunch program under this Act to every school within the State, and (C) to use the funds provided under section 13 of this Act and section 4 of the Child Nutrition Act of 1966 and funds from sources within the State to the maximum extent practicable to reach needy children.

(2) Each school participating in the school-lunch program under this Act shall report each month to its State educational agency the average number of children in the school who received free lunches and the average number of children who received reduced price lunches during the immediately preceding month. Each participating school shall provide an estimate as of October 1 and March 1 of each year, of the number of children who are eligible for a free or reduced price lunch.

(3) The State educational agency of each State shall report to the Secretary each month the average number of children in the State who received free lunches and the average number of children in the State who received reduced price lunches during the immediately preceding month. Each State educational agency shall provide an estimate as of October 1 and March 1 of each year, of the number of children who are eligible for a free or reduced price lunch."

MISCELLANEOUS PROVISIONS AND DEFINITIONS

SEC. 12. (a) States, State educational agencies, and schools participating in the school-lunch program under this Act shall keep such accounts and records as may be necessary to enable the Secretary to determine whether the provisions of this Act are being complied with. Such accounts and records shall at all times be available for inspection and audit by representatives of the Secretary and shall be preserved for such period of time, not in excess of five years, as the Secretary determines is necessary.

(b) The Secretary shall incorporate, in his agreements with the State educational agencies, the express requirements under this Act with respect to the operation of the school-lunch program under this Act insofar as they may be applicable and such other provisions as in his opinion are reasonably necessary or appropriate to effectuate the purpose of this Act.

(c) In carrying out the provisions of this Act, neither the Secretary nor the State shall impose any requirement with respect to teaching personnel, curriculum, instruction, methods of instruction, and materials of instruction in any school.

(d) For the purposes of this Act—

(1) "State" means any of the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, American Samoa.

(2) "State educational agency" means, as the State legislature may determine, (A) the chief State school officer (such as the State Superintendent of public instruction, commissioner of education, or similar officer), or (B) a board of education controlling the State department of education; except that in the District of Columbia it shall mean the Board of Education.

(3) "Nonprofit private school" means any private school exempt from income tax under section 501(c)(3) of the Internal Revenue Code of 1954.

(4) "Nonfood assistance" means equipment used by schools in storing, preparing, or serving food for school children.

(5) "Participation rate" for a State means a number equal to the number of lunches, consisting of a combination of foods and meeting the minimum requirements prescribed by the Secretary pursuant to section 9, served in the fiscal year beginning two years immediately prior to the fiscal year for which the Federal funds are appropriated by schools participating in the program under this Act in the State, as determined by the Secretary.

(6) "Assistance need rate" (A) in the case of any State having an average annual per capita income equal to or greater than the average annual per capita income for all the States, shall be 5; and (B) in the case of any State having an average annual per capita income less than the average annual per capita income for all the States, shall be the product of 5 and the quotient obtained by dividing the average annual per capita income for all the States by the average annual per capita income for such State, except that such product may not exceed 9 for any such State. For the purposes of this paragraph (i) the average annual per capita income for any State and for all the States shall be determined by the Secretary on the basis of the average annual per capita income for each State and for all the States for the three most recent years for which such data are available and certified to the Secretary by the Department of Commerce; and (ii) the average annual per capita income for American Samoa shall be disregarded in determining the average annual per capita income for all the States for periods ending before July 1, 1967.

(7) "School" means any public or nonprofit private school of

high school grade or under and, with respect to Puerto Rico, shall also include nonprofit child-care centers certified as such by the Governor of Puerto Rico.

SPECIAL FOOD SERVICE PROGRAM FOR CHILDREN

SEC. 13. (a)(1) There is authorized to be appropriated $32,000,000 for each of the three fiscal years ending June 30, 1969, June 30, 1970, and June 30, 1971, to enable the Secretary to formulate and carry out a pilot program to assist States through grants-in-aid and other means, to initiate, maintain, or expand nonprofit food service programs for children in service institutions. For purposes of this section, the term "service institutions" means private, nonprofit institutions or public institutions, such as child day-care centers, settlement houses, or recreation centers, which provide day care, or other child care where children are not maintained in residence, for children from areas in which poor economic conditions exist and from areas in which there are high concentrations of working mothers, and includes public and private nonprofit institutions providing day care services for handicapped children.

(2) Subject to all the provisions of this section, the term "service institutions" also includes public or private nonprofit institutions that develop special summer programs providing food service similar to that available to children under the National School Lunch or School Breakfast Programs during the school year, including such institutions providing day care for handicapped children.

(b)(1) Of the funds appropriated for the purposes of this section for any fiscal year, the Secretary shall reserve 2 per centum for apportionment to Guam, Puerto Rico, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands. Guam, Puerto Rico, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands shall each be paid an anoumt which bears the same ratio to the total of such reserved funds as the number of children aged three to seventeen, inclusive, in each bears to the total number of children of such ages in all of them.

(2) From the remainder of the funds appropriated for any fiscal year, the Secretary shall pay to each State such sums as he deems appropriate, but not more than $50,000, as a basic grant. In addition, the Secretary shall allot to each State from the funds remaining after the basic grants have been made an amount which bears the same ratio to such remaining funds as the number of children in that State aged three to seventeen, inclusive in families with incomes of less than $3,000 per annum bears to the total number of such children in all the States. For the purposes of this paragraph, the term "State" does not include Guam, Puerto Rico, the Virgin Islands, American Samoa, and the Trust Territory of the Pacific Islands.

(c)(1) Funds paid to any State under this section shall be disbursed by the State educational agency to service institutions, selected on a nondiscriminatory basis by the State educational agency, (A) to reimburse the service institutions for the cost of obtaining agricultural commodities and other foods, and (B) for the purposes of paragraphs (2) and (3) of this subsection. The costs of obtaining agricultural commodities and other foods may include the cost of the processing, distributing, transporting, or handling thereof. Disbursement to participating service institutions shall be made at such rate of reimbursement per meal as the Secretary shall prescribe.

(2) In circumstances of severe need where the rate per meal established by the Secretary is insufficient to carry on an effective feeding program, the Secretary may authorize financial assistance not to exceed 80 per centum of the operating costs of such a program, including the cost of obtaining, preparing, and serving food. In the selection of institutions to receive assistance under this subsection, the State educational agency shall require the applicant institutions to provide justification of the need for such assistance.

(3) Not to exceed 25 per centum of the funds paid to any State may be used by the State to assist service institutions by paying not to exceed 75 per centum of the cost of the purchase or rental of equipment other than land and buildings, for the storage, preparation, transportation, and serving of food to enable the service institutions to establish, maintain, and expand food service under this section.

(d) If in any State the State educational agency is not permitted by law or is otherwise unable to disburse the funds paid to it under this section to any service institution in the State, the Secretary shall withhold all funds apportioned under this section and shall disperse the funds so withheld directly to service institutions in the State for the same purpose and subject to the same conditions as are required of a State educational agency disbursing funds made available under this section.

(e) Notwithstanding the provisions of any other law, balances of funds appropriated for the purposes of this section and unobligated at the end of any fiscal year shall remain available for obligation during the first three months of the following fiscal year.

(f) Service institutions to which funds are disbursed under this section shall serve meals consisting of a combination of foods and meeting minimum nutritional standards prescribed by the Secretary on the basis of tested nutritional research. Such meals shall be served without cost or at a reduced cost to children determined by the service institutions to be unable to pay the full cost. Such determinations shall be made by the service institution authorities in accordance with a publicly announced policy and plan applied equitably on the basis of criteria which, as a minimum, shall include the level of family income, including welfare grants, the number in the family unit, and the number of children in the family unit attending school or service institutions. In making such determination, service institution authorities should, to the extent practicable, consult with public welfare and health agencies. No physical segregation or other discrimination against any child shall be made because of his inability to pay nor shall there be any overt identification of any such child by special tokens or tickets, announced or published lists of names, or other means.

(g) If any State cannot utilize all funds apportioned to it, or if additional funds are made available for apportionment among the

States, under this section, the Secretary shall make further apportionments to the remaining States in the manner prescribed in subsection (b).

(h)(1) The Secretary shall certify to the Secretary of the Treasury from time to time the amounts to be paid to any State under this section of the Act and the time or times such amounts are to be paid; and the Secretary of the Treasury shall pay to the State at the time or times fixed by the Secretary the amounts so certified.

(2) Each service institution participating under this section shall, insofar as practicable, utilize in its program foods designated from time to time by the Secretary as being in abundance, either nationally or in the institution area, or foods donated by the Secretary. Irrespective of the amount of funds appropriated under this section, foods available under section 416 of the Agricultural Act of 1949 (7 U.S.C. 1431) or purchased under section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), or section 709 of the Food and Agriculture Act of 1965 (7 U.S.C. 1446a-1), may be donated by the Secretary to service institutions in accordance with the needs as determined by authorities of these institutions for utilization in their feeding programs.

(3) The value of assistance to children under this section shall not be considered to be income or resources for any purpose under any Federal or State laws, including laws relating to taxation and welfare and public assistance programs. Expenditures of funds from State and local sources for the maintenance of food programs for children shall not be diminished as a result of funds received under this section.

(4) There is hereby authorized to be appropriated for any fiscal year such sums as may be necessary to the Secretary for his administrative expenses under this section.

(5) States, State educational agencies, and service institutions participating in programs under this section shall keep such accounts and records as may be necessary to enable the Secretary to determine whether there has been compliance with this section and the regulations hereunder. Such accounts and records shall at all times be available for inspection and audit by representatives of the Secretary and shall be preserved for such period of time, not in excess of five years, as the Secretary determines is necessary.

TEMPORARY EMERGENCY ASSISTANCE TO PROVIDE NUTRITIOUS MEALS TO NEEDY CHILDREN IN SCHOOLS

SEC. 13A. Notwithstanding any other provision of law, under such terms and conditions as he deems in the public interest, the Secretary of Agriculture is authorized to use an additional amount, not to exceed $30,000,000, of funds from section 32 of the Act of August 24, 1935 (7 U.S.C. 612c), to supplement funds heretofore made available to carry out programs during the fiscal year 1970 to improve the nutrition of needy children in public and nonporfit private schools participating in the national school lunch program under this Act or the school breakfast program under the Child Nutrition Act of 1966 (42 U.S.C. 1771 et seq.).

National Advisory Council

Sec. 14. (a) There is hereby established a council to be known as the National Advisory Council on Child Nutrition (hereinafter in this section referred to as the "Council") which shall be composed of thirteen members appointed by the Secretary. One member shall be a school administrator, one member shall be a person engaged in child welfare work, one member shall be a person engaged in vocational education work, one member shall be a nutrition expert, one member shall be a school food service management expert, one member shall be a State superintendent of schools (or the equivalent thereof), one member shall be a State school lunch director (or the equivalent thereof), one member shall be a person serving on a school board, one member shall be a classroom teacher, and four members shall be officers or employees of the Department of Agriculture specially qualified to serve on the Council because of their education, training, experience, and knowledge in matters relating to child food programs.

(b) The nine members of the Council appointed from outside the Department of Agriculture shall be appointed for terms of three years, except that such members first appointed to the Council shall be appointed as follows: Three members shall be appointed for terms of three years, three members shall be appointed for terms of two years, and three members shall be appointed for terms of one year. Thereafter all appointments shall be for a term of three years, except that a person appointed to fill an unexpired term shall serve only for the remainder of such term. Members appointed from the Department of Agriculture shall serve at the pleasure of the Secretary.

(c) The Secretary shall designate one of the members to serve as Chairman and one to serve as Vice Chairman of the Council.

(d) The Council shall meet at the call of the Chairman but shall meet at least once a year.

(e) Seven members shall constitute a quorum and a vacancy on the Council shall not affect its powers.

(f) It shall be the function of the Council to make a continuing study of the operation of programs carried out under the National School Lunch Act, the Child Nutrition Act of 1966, and any related Act under which meals are provided for children, with a view to determining how such programs may be improved. The Council shall submit to the President and the Congress annually a written report of the results of its study together with such recommendations for administrative and legislative changes as it deems appropriate.

(g) The Secretary shall provide the Council with such technical and other assistance, including secretarial and clerical assistance, as may be required to carry out its functions under this Act.

(h) Members of the Council shall serve without compensation but shall receive reimbursement for necessary travel and subsistence expenses incurred by them in the performance of the duties of the Council.

CHILD NUTRITION ACT OF 1966

(42 U.S.C. 1771)

AN ACT To strengthen and expand food service programs for children

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That this Act may be cited as the "Child Nutrition Act of 1966".

DECLARATION OF PURPOSE

SEC. 2. In recognition of the demonstrated relationship between food and good nutrition and the capacity of children to develop and learn, based on the years of cumulative successful experience under the national school lunch program with its significant contributions in the field of applied nutrition research it is hereby declared to be the policy of Congress that these efforts shall be extended, expanded, and strengthened under the authority of the Secretary of Agrculture as a measure to safeguard the health and well-being of the Nation's children, and to encourage the domestic consumption of agricultural and other foods, by assisting States, through grants-in-aid and other means, to meet more effectively the nutritional needs of our children.

SPECIAL MILK PROGRAM AUTHORIZATION

SEC. 3. There is hereby authorized to be appropriated for the fiscal year ending June 30, 1967, not to exceed $110,000,000; for the fiscal year ending June 30, 1968, not to exceed $115,000,000; and for each of the two succeeding years not to exceed $120,000,000, to enable the Secretary of Agriculture, under such rules and regulations as he may deem in the public interest, to encourage consumption of fluid milk by children in the United States in (1) nonprofit schools of high school grade and under, and (2) nonprofit nursery schools, child-care centers, settlement houses, summer camps, and similar nonprofit institutions devoted to the care and training of children. For the purposes of this section "United States" means the fifty States and the District of Columbia. The Secretary shall administer the special milk program provided for by this section to the maximum extent practicable in the same manner as he administered the special milk program provided for by Public Law 85-478, as amended, during the fiscal year ended June 30, 1966.

SCHOOL BREAKFAST PROGRAM AUTHORIZATION

SEC. 4. (a) There is hereby authorized to be appropriated for the fiscal year 1969, $6,500,000; and for the fiscal year 1970 not to exceed $10,000,000; and for the fiscal year 1971 not to exceed $25,000,000 to carry out a program to assist the States through grants-in-aid and other means to initiate, maintain, or expand nonprofit breakfast programs in schools. Appropriations and expenditures for this Act shall be considered Health, Education, and Welfare functions for budget purposes rather than functions of Agriculture.

Apportionment to States

(b) Of the funds appropriated for the purposes of this section, the Secretary shall for each fiscal year, (1) apportion $2,600,000 equally among the States other than Guam, the Virgin Islands, and American Samoa and $45,000 equally among Guam, the Virgin Islands, and American Samoa, and (2) apportion the remainder among the States in accordance with the apportionment formula contained in section 4 of the National School Lunch Act, as amended.

State Disbursement to Scdool

(c) Funds apportioned and paid to any State for the purpose of this section shall be disbursed by the State educational agency to schools selected by the State educational agency, to reimburse such schools for the cost of obtaining agricultural and other foods for consumption by needy children in a breakfast program and for the purpose of subsection (d). Such food costs may include, in addition to the purchase price, the cost of processing, distributing, transporting, storing, and handling. Disbursement to schools shall be made at such rates per meal or on such other basis as the Secretary shall prescribe. In selecting schools, the State educational agency shall, to the extent practicable, give first consideration to those schools drawing attendance from areas in which poor economic conditions exist and to those schools to which a substantial proportion of the children enrolled must travel long distances daily.

(d) In circumstances of severe need where the rate per meal established by the Secretary is deemed by him insufficient to carry on an effective breakfast program in a school, the Secretary may authorize financial assistance up to 80 per centum of the operating costs of such a program, including costs of obtaining, preparing, and serving food. In the selection of schools to receive assistance under this section, the State educational agency shall require applicant schools to provide justification of the need for such assistance.

Nutritional and Other Program Requirements

(e) Breakfasts served by schools participating in the school breakfast program under this section shall consist of a combination of foods and shall meet minimum nutritional requirements prescribed by the Secretary on the basis of tested nutritional research. Such breakfasts shall be served without cost or at a reduced cost only to children who are determined by local school authorities to be unable to pay the full cost of the breakfast. In making such determinations, such local authorities should, to the extent practicable, consult with public welfare and health agencies. No physical segregation of or other discrimination against any child shall be made by the school because of his inability to pay nor shall there by any overt identification of any such child by special tokens or tickets, announced or published lists of names, or other means.

NONPROFIT PRIVATE SCHOOLS

(f) The withholding of funds for and disbursement to nonprofit private schools will be effected in accordance with section 10 of the National School Lunch Act, as amended, exclusive of the matching provisions thereof.

NONFOOD ASSISTANCE PROGRAM AUTHORIZATION

SEC. 5. (a) There is hereby authorized to be appropriated for the fiscal year ending June 30, 1971, not to exceed $38,000,000, for the fiscal year ending June 30, 1972, not to exceed $33,000,000, for the fiscal year ending June 30, 1973, not to exceed $15,000,000, and for each succeeding fiscal year, not to exceed $10,000,000, to enable the Secretary to formulate and carry out a program to assist the States through grants-in-aid and other means to supply schools drawing attendance from areas in which poor economic conditions exist with equipment, other than land or buildings, for the storage, preparation, transportation, and serving of food to enable such schools to establish, maintain, and expand school food service programs. In the case of a nonprofit private school, such equipment shall be for use of such school principally in connection with child feeding programs authorized in this Act and in the National School Lunch Act, as amended, and in the event such equipment is no longer so used, it may be transferred to another nonprofit private school participating in any of such programs or to a public school participating in any of such programs, or, failing either of these dispositions, that part of such equipment financed with Federal funds, or the residual value thereof, shall revert to the United States.

(b) The Secretary shall apportion 50 per centum of the funds appropriated for the purposes of this section among the States during each fiscal year on the same basis as apportionments are made under section 4 of the National School Lunch Act, as amended, for supplying agricultural and other foods. The remaining funds appropriated for the purposes of this section shall be apportioned to each State on the basis of the ratio between the number of children enrolled in schools without a food service in such State and the number of children enrolled in schools without a food service in all States. Payments to any State of funds apportioned for any fiscal year shall be made upon condition that at least one-fourth of the cost of any equipment financed under this subsection shall be borne by State or local funds.

STATE DISBURSEMENT TO SCHOOLS

(c) Funds apportioned and paid to any State for the purpose of this section shall be disbursed by the State educational agency to assist schools, which draw attendance from areas in which poor economic conditions exist and which have no, or grossly inadequate equipment, to conduct a school food service program, and to acquire such equipment. In the selection of schools to receive assistance under this section, the State educational agency shall require applicant schools to provide justification of the need for such assistance and the inability of the school to finance the food service equipment needed. Disbursements to any school may be made, by advances or reimbursements, only after approval by the State educational agency of a request by the school for funds, accompanied by a detailed desciption of the equipment to be acquired and the plans for the use thereof in effectively meeting the nutritional needs of children in the school.

NONPROFIT PRIVATE SCHOOLS

(d) The withholding of funds for and disbursement to nonprofit private schools will be effected in accordance with section 10 of the National School Lunch Act, as amended, exclusive of the matching provision thereof.

PAYMENTS TO STATES

SEC. 6. The Secretary shall certify to the Secretary of the Treasury from time to time the amounts to be paid to any State under sections 3 through 7 of this Act and the time or times such amounts are to be paid; and the Secretary of the Treasury shall pay to the State at the time or times fixed by the Secretary the amounts so certified.

STATE ADMINISTRATIVE EXPENSES

SEC. 7. The Secretary may utilize funds appropriated under this section for advances to each State educational agency for use for its administrative expenses or for the administrative expenses of any other designated State agency in supervising and giving technical assistance to the local school districts and service institutions in their conducting of programs under this Act and under sections 11 and 13 of the National School Lunch Act. Such funds shall be advanced only in amounts and to the extent determined necessary by the Secretary to assist such State agencies in the administration of additional activities undertaken by them under sections 11 and 13 of the National School Lunch Act, as amended, and sections 4 and 5 of this Act *including additional activities undertaken in the distribution of donated commodities*. There are hereby authorized to be appropriated such sums as may be necessary for the purposes of this section.

UTILIZATION OF FOODS

SEC. 8. Each school participating under section 4 of this Act shall, insofar as practicable, utilize in its program foods designated from time to time by the Secretary as being in abundance, either nationally or in the school area, or foods donated by the Secretary. Foods available under section 416 of the Agricultural Act of 1949 (63 Stat. 1058), as amended, or purchased under section 32 of the Act of August 24, 1935 (49 Stat. 774) as amended, or section 709 of the Food and Agriculture Act of 1965 (79 Stat. 1212), may be donated by the

Secretary to schools, in accordance with the needs as determined by local school authorities, for utilization in their feeding programs under this Act.

NONPROFIT PROGRAMS

SEC. 9. The food and milk service programs in schools and nonprofit institutions receiving assistance under this Act shall be conducted on a nonprofit basis.

REGULATIONS

SEC. 10. The Secretary shall prescribe such regulations as he may deem necessary to carry out this Act and the National School Lunch Act, including regulations relating to the service of food in participating schools and service institutions in competition with the programs authorized under this Act and the National School Lunch Act. In such regulations the Secretary may provide for the transfer of funds by any State between the programs authorized under this Act and the National School Lunch Act on the basis of an approved State plan of operation for the use of the funds and may provide for the reserve of up to 1 per centum of the funds available for apportionment to any State to carry out special developmental projects.

PROHIBITIONS

SEC. 11. (a) In carrying out the provisions of sections 3 through 5 of this Act, neither the Secretary nor the State shall impose any requirements with respect to teaching personnel, curriculum, instruction, methods of instruction, and materials of instruction.

(b) The value of assistance to children under this Act shall not be considered to be income or resources for any purpose under any Federal or State laws including, but not limited to, laws relating to taxation, welfare, and public assistance programs. Expenditures of funds from State and local sources for the maintenance of food programs for children shall not be diminished as a result of funds received under this Act.

PRESCHOOL PROGRAMS

SEC. 12. The Secretary may extend the benefits of all school feeding programs conducted and supervised by the Department of Agriculture to include preschool programs operated as part of the school system.

CENTRALIZATION OF ADMINISTRATION

SEC. 13. Authority for the conduct and supervision of Federal programs to assist schools in providing food service programs for children is assigned to the Department of Agriculture. To the extent practicable, other Federal agencies administering programs under which funds are to be provided to schools for such assistance shall transfer such funds to the Department of Agriculture for distribution through the administrative channels and in accordance with the standards established under this Act and the National School Lunch Act.

SEC. 14. There is hereby authorized to be appropriated for any fiscal year such sums as may be necessary to the Secretary for his administrative expense under this Act.

MISCELLANEOUS PROVISIONS AND DEFINITIONS

SEC. 15. For the purposes of this Act—

(a) "State" means any of the fifty States, the District of Columbia, the Commonwealth of Puerto Rico, the Virgin Islands, Guam, or American Samoa.

(b) "State educational agency" means, as the State legislature may determine, (1) the chief State school officer (such as the State superintendent of public instruction, commissioner of education, or similar officer), or (2) a board of education controlling the State department of education.

(c) "Nonprofit private school" means any private school exempt from income tax under section 501(c)(3) of the Internal Revenue Code of 1954.

(d) "School" means any public or nonprofit private school of high school grade or under, including kindergarten and preschool programs operated by such school and, with respect to Puerto Rico, shall also include nonprofit child-care centers certified as such by the Governor of Puerto Rico.

(e) "Secretary" means the Secretary of Agriculture.

ACCOUNTS AND RECORDS

SEC. 16. States, State educational agencies, schools, and nonprofit institutions participating in programs under this Act shall keep such accounts and records as may be necessary to enable the Secretary to determine whether there has been compliance with this Act and the regulations hereunder. Such accounts and records shall at all times be available for inspection and audit by representatives of the Secretary and shall be preserved for such period of time, not in excess of three years, as the Secretary determines is necessary.

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